

**5/17/77 [2]**

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THE PRESIDENT'S SCHEDULE  
Tuesday - May 17, 1977

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7:10

Depart South Grounds via Helicopter  
en route Andrews AFB and California.

THE PRESIDENT HAS SEEN.

SCHEDULE

THE WHITE HOUSE

WASHINGTON

VISIT TO CALIFORNIA

TUESDAY - MAY 17, 1977

Departure: 7:10 a.m.

From: Tim Kraft

TUESDAY - MAY 17, 1977 SUMMARY SCHEDULE

7:10 a.m. (EDT)	Depart South Lawn via helicopter for Andrews AFB.
7:30 a.m.	Air Force One departs Andrews AFB en route Los Angeles International Airport. (Flying Time: 5 hrs., 20 mins.) (Time Change: -3 hours)
9:50 a.m. (PDT)	Air Force One arrives Los Angeles International Airport. Motorcade (27 minutes driving time) to Los Angeles Convention Center.
10:27 a.m.	Arrive Los Angeles Convention Center. PERSONAL TIME (Holding Room) 10 minutes (Photograph with Fraser Family)
10:40 a.m.	UAW ADDRESS. (Audience of approximately 5,000)
11:20 a.m.	Motorcade (15 minutes driving time) to KNXT-TV.
11:35 a.m.	Arrive KNXT-TV. Make-up and light check.
11:55 a.m.	Proceed to Holding Room. (PERSONAL TIME: 32 minutes)

12:30 p.m. TELEVISION SHOW.  
LIVE LOCAL TELEVISION  
Program duration: 1 hour, 10 minutes.  
You will take questions from the studio audience (which was picked at random by KNXT-TV station from different Los Angeles area communities) and also from persons at several remote locations in Los Angeles via television hook-ups.

1:40 p.m. TV Show concludes. You motorcade (25 minutes driving time) to Los Angeles International Airport.

2:20 p.m. Air Force One departs Los Angeles International Airport en route Fresno Airport.  
  
Flying Time: 1 hour, 10 minutes--- including a 20-minute fly-over of reservoirs affected by the drought. You will be briefed by Red Martin, Soil Conservation Service, Department of Agriculture.

3:30 p.m. Air Force One arrives Fresno Airport.  
  
After introduction by Mayor Dan Whitehurst (D-Fresno), you offer remarks to airport crowd of approximately 2,000. (Of special note is the fact that this airport arrival was co-sponsored by Mayor Whitehurst, a Democrat, and by the President of the Chamber of Commerce, a Republican.)

3:50 p.m. Depart Fresno Airport via motorcade en route Kryder Farm. (Driving Time: 25 minutes)

4:15 p.m. Arrive Kryder Farm. Proceed on walking tour of farm, including viewing of olive groves, almond trees, and open range areas.

3.

4:50 p.m.	Tour concludes. You proceed to microphone area and offer brief remarks.
5:05 p.m.	Motorcade departs Kryder Farm en route Fresno Airport. (Driving Time: 25 minutes)
5:35 p.m.	Air Force One departs Fresno Airport en route Andrews AFB. Flying Time: 4 hrs., 35 minutes. Time Change: +3 hours.
<u>1:10 a.m.</u>	Arrive Andrews AFB. Board helicopter and depart en route the White House.
1:30 a.m.	Arrive South Lawn.

SPECIAL NOTE:

YOUR FIRST APPOINTMENT ON WEDNESDAY, MAY 18:

8:45 a.m. Dr. Zbigniew Brzezinski

SEQUENCE- WASHINGTON DEPARTURE/LOS ANGELES ARRIVAL

7:10 a.m.                      You board helicopter on South  
EDT                              Lawn and depart en route  
                                 Andrews AFB.

7:25 a.m.                      Arrive Andrews AFB. Board  
                                 Air Force One.

OPEN PRESS COVERAGE  
CLOSED ARRIVAL

PRESIDENTIAL GUESTS

Secretary Ray Marshall  
Sen. Alan Cranston (D-Calif.)  
Rep. James C. Corman (D-Calif.)  
Rep. Henry A. Waxman (D-Calif.)  
Rep. Edward R. Roybal (D-Calif.)

7:30 a.m.                      Air Force One departs Andrews AFB  
                                 en route Los Angeles International  
                                 Airport, Los Angeles, California.

(Flying Time: 5 hrs., 20 mins.)  
(Time Change: -3 hours)

9:50 a.m.                      Air Force One arrives Los Angeles  
PDT                              International Airport.

OPEN PRESS COVERAGE  
CLOSED ARRIVAL

You will be greeted by:

Governor Jerry Brown (D-Calif.)  
Mayor Tom Bradley (D-Los Angeles)  
Democratic City Councilmen  
City Supervisors  
Campaign Workers

10.00 a.m.

You proceed to motorcade, board and depart Los Angeles International Airport en route Los Angeles Convention Center. Governor Brown and Mayor Bradley will accompany you in your car.

(Driving Time: 27 minutes)

UAW ADDRESS - LOS ANGELES CONVENTION CENTER

10:27 a.m.

Motorcade arrives Los Angeles Convention Center.

PRESS POOL COVERAGE  
CLOSED ARRIVAL

You will be met by:

Mr. Doug Fraser, U.A.W. Vice Pres.  
Mr. Kenneth Bannon, U.A.W. Vice Pres.  
Mr. Patrick Greathouse, U.A.W. Vice President  
Mr. Marc Stepp, U.A.W. Vice Pres.  
Mrs. Odessa Komer, U.A.W. Vice Pres.  
Mr. Irving Bluestone, U.A.W. Vice President  
Mr. Dennis McDermott, Vice President and Director of Canadian Region  
Mr. E.T. Michael, Regional Director of Region Eight - Atlanta  
Mr. Herb Green, International Rep. for Region Eight - Atlanta  
Mr. Irving Bluestone, U.A.W. Vice Pres.



Escorted by Doug Fraser, you proceed to holding room and are photographed with the following members of Mr.

Fraser's family:

Mrs. Winifred Fraser	(Wife)
Brian W. MacKenzie	(Son In Law)
Sandra M. Riach	(Daughter)
Judith Yonish	(Daughter)
Douglas Fraser	(Son)
Jeffrey Fraser	(Son)
Jeanne Walker	(Daughter)
Robert Walker	(Son In Law)

PERSONAL TIME: 8 minutes (following departure of the Fraser family)

10:40 a.m.

You depart holding room en route offstage announcement area, rejoin Mr. Fraser and Escort Committee.

10:41 a.m.

You arrive offstage announcement area and pause.

Announcement.

Escorted by Doug Fraser and Escort Committee, you proceed inside Yorty Hall and take your seat on the stage.

OPEN PRESS COVERAGE  
ATTENDANCE: 5,000

10:42 a.m.

Remarks by Leonard Woodcock, concluding in your introduction.

10:45 a.m.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

11:10 a.m.

Your remarks conclude. You thank your hosts and escorted by Leonard Woodcock and Doug Fraser, proceed to motorcade for boarding.

PRESS POOL COVERAGE  
CLOSED DEPARTURE

#### TELEVISION SHOW - KNXT-TV STUDIO

11:20 a.m.

Motorcade departs Los Angeles Convention en route KNXT-TV Studio.

7.

11:35 a.m.

Motorcade arrives KNXT-TV Studio.

PRESS POOL COVERAGE  
CLOSED ARRIVAL

You will be met by:

Chris Desmond, KNXT-TV General  
Manager

Escorted by Chris Desmond, you  
proceed to television studio for  
make-up and light check.

11:50 a.m.

Make-up and light check  
concludes.

11:55 a.m.

You arrive holding room.

PERSONAL TIME: 32 minutes

12:27 p.m.

You depart holding room and proceed  
to backstage area.

12:30 p.m.

Television show begins with  
introduction of you.

12:31 p.m.

You proceed to on-camera position and  
take questions from the studio  
audience and remote locations.

LIVE LOCAL TELEVISION

1:40 p.m.

You participation in Television  
Show concludes.

You thank your hosts and proceed  
to motorcade for boarding, departing  
through studio audience and greeting  
the crowd along the way.

LOS ANGELES INTERNATIONAL AIRPORT DEPARTURE/FRESNO AIRPORT  
ARRIVAL

1:50 p.m.

Motorcade departs KNXT-TV  
 en route Los Angeles International  
 Airport.

(Driving Time: 25 minutes)

2:15 p.m.

Motorcade arrives Los Angeles  
 International Airport.

OPEN PRESS COVERAGE  
 CLOSED DEPARTURE

You board Air Force One and depart  
 Los Angeles International Airport  
 en route Fresno Airport, Fresno,  
 California.

(Flying Time: 1 hr. 10 mins.)  
 (No Time Change)

NOTE: Flight includes a 20-minute  
 fly-over of reservoirs affected by  
 the drought. You will be briefed  
 by Red Martin, Soil Conservation  
 Service, Department of Agriculture.

PRESS POOL COVERAGE

PRESIDENTIAL GUESTS

Sen. Alan Cranston (D-Calif.)  
 Rep. B.F. Sisk (D-Calif.)  
 Rep. John H. Krebs (D-Calif.)  
 Mr. Red Martin, Soil Conservation  
 Service, Department of  
 Agriculture

3:30 p.m.

Air Force One arrives Fresno  
Airport, Fresno, California.

OPEN PRESS COVERAGE  
CROWD SITUATION

You will be met by:

Mayor Dan Whitehurst (D-Fresno)

Escorted by Mayor Whitehurst, you  
proceed to speaker's platform.

3:35 p.m.

Remarks by Mayor Whitehurst,  
concluding in your introduction.

3:37 p.m.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

3:42 p.m.

Remarks conclude.

Escorted by Mayor Whitehurst, you  
greet the crowd en route motorcade  
for boarding.

VISIT TO KRYDER FARM

3:50 p.m.

Motorcade departs Fresno Airport  
en route Kryder Farm.

(Driving Time: 25 minutes)

4:15 p.m.

Motorcade arrives Kryder Farm.

PRESS POOL COVERAGE  
CLOSED ARRIVAL

You will be met by:

Charles "Chuck" and Genie Kryder  
Paul Kryder  
Tricia Kryder  
Laurie Kryder  
Manuel and Calmierinda "Cal" Silva

4:20 p.m.                      Escorted by Red Martin, Chuck Kryder  
and Manuel Silva, you proceed on  
walking tour of farm which includes  
viewing olive groves, almond trees,  
and open range areas.

PRESS POOL COVERAGE

4:50 p.m.                      Tour concludes.

You proceed to microphone area.

4:55 p.m.                      PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

5:00 p.m.                      Remarks conclude. You thank your  
hosts and proceed to motorcade for  
boarding.

PRESS POOL COVERAGE  
CLOSED DEPARTURE

5:05 p.m.                      Motorcade departs Kryder Farm  
en route Fresno Airport.

(Driving Time: 25 minutes)

FRESNO AIRPORT DEPARTURE/ANDREWS AFB ARRIVAL

5:30 p.m.                      Motorcade arrives Fresno Airport.

OPEN PRESS COVERAGE  
CLOSED DEPARTURE

You board Air Force One.

5:35 p.m.                      Air Force One departs Fresno Airport  
en route Andrews AFB.

(Flying Time: 4 hrs. 35 mins.)  
(Time Change: + 3 hours)

PRESIDENTIAL GUESTS

Sen. Alan Cranston (D-Calif.)  
Rep. B.F. Sisk (D-Calif.)  
Rep. John H. Krebs (D-Calif)

1:10 a.m.

Air Force One arrives Andrews  
Air Force Base.

OPEN PRESS COVERAGE  
CLOSED ARRIVAL

You board helicopter and depart  
en route the South Grounds.

1:30 a.m.

Helicopter arrives South Grounds  
of the White House.

# # # # #

5

L.A. AIRPORT

LOS ANGELES AIRPORT

CALIFORNIA STATE CONSTITUTIONAL OFFICERS

GOVERNOR JERRY BROWN

- will be present at airport and will ride to UAW event with the President
- will also accompany the Presidential party to Fresno

LIEUTENANT GOVERNOR MERVYN DYMALLY

- Former Assemblyman and Senator
- Native of the West Indies
- Respected in Black community
- Moderate

- Questionable whether he will run for re-election in '78

STATE TREASURER JESSE UNRUH

- Former Speaker of the Assembly
- Ran for Governor against Ronald Reagan
- Endorsed President Carter in Maryland primary
- Met with President in February, 1977
- Was and is extremely supportive of Carter

SECRETARY OF STATE MARCH FONG EU

- Former Assemblywoman from Oakland
- Elected in 1974
- Moderate
- Very supportive of Universal Voter Registration
- Met with the First Lady in March

COMPTROLLER KEN CORRY

- 1st term and is running for re-election
- May have problems because of identification with indited financial backer
- won election by saying "Person Most Feared By Oil Companies"
- Former Assemblyman from Orange County
- Instrumental in starting to turn Orange County Democratic

LOS ANGELES CITY

MAYOR TOM BRADLEY

- Recently re-elected with 60% of the vote
- Has been Mayor for 4 years as of July 1st
- Former City Councilman (10 years)
- Former Los Angeles Policeman (20 years)
- Extremely helpful in general election
- Met with President Carter at White House on April 26th



LOS ANGELES AIRPORT

LOS ANGELES CITY

DEPUTY MAYOR GRACE DAVIS

- Was with the U. S. Department of Labor, Western Region
- From Lincoln Heights, a barrio in East Los Angeles
- Chicana
- Attended U.C.L.A.
- Early forties

LOS ANGELES COUNTY SUPERVISORS-DEMOCRATIC MEMBERS

SUPERVISOR ED EDELMAN

- Early Carter
- Extremely helpful in the campaign
- Should get special recognition at airport for his help
- Chairman of the County Supervisors

SUPERVISOR KENNETH HAHN

- Early Carter supporter
- Extremely helpful in the campaign
- Should get special recognition at airport for his help
- Very powerful and influential as a supervisor

SUPERVISOR BAXTER WARD

- Conservative
- Did not participate in campaign

LOS ANGELES CITY COUNCIL

COUNCILMAN DAVID CUNNINGHAM

- Early Carter supporter
- Extremely helpful in the campaign
- Should get special recognition at airport for his help

COUNCILMAN JOHN GIBSON

- President of City Council
- Up for re-election May 31st
- Is favored to win race against James Stanbury
- 74 years old

COUNCILWOMAN PAT RUSSELL

- The Airport is in her district
- Not active in the campaign

STATE OF CALIFORNIA DEMOCRATIC LEGISLATIVE LEADERSHIP

Speaker of the Assembly

Leo McCarthy (D)

- Assemblyman for San Francisco
- Speaker of the Assembly since 1974
- Good relationship with Governor Brown
- Against Proposition 14
- Liberal
- Defeated Willie Brown for Speaker two times

President Pro Tem of the Senate

James Mills (D)

- Former San Diego Assemblyman
- Elected to Senate 1966
- Moderate
- Teacher; Historian; Museum Curator

LOS ANGELES AIRPORT

DEMOCRATIC PARTY LEADERS

STATE PARTY CHAIRMAN BERT COFFEY

- Newly elected Party Chairman
- Former Northern Chairman
- At odds with Bruce Corwin, Southern Chair
- Disagrees with National Committee concerning fundraising; feels that DNC should not take California funds out of the State
- Owns private research firm
- Very active in Carter general election
- Met with Tim Kraft at the White House in early April

SOUTHERN CHAIRMAN BRUCE CORWIN

- Very early Carter supporter
- Newly elected Southern Party Chairman, defeated Dick O'Neill in a tough fight
- Works with the movie industry

STATE WOMEN'S CHAIR ALICE TRAVIS

- Party Activist
- From West Los Angeles
- Works for Councilwoman Peggy Stevenson

STATE VICE CHAIRMAN MARY WARREN

- From the Oakland/Berkley Area - Alameda County
- Solid party person
- Works for Assemblyman Floyd Mori

DNC EXECUTIVE COMMITTEE

CHUCK MANATT

- Former State Party Chairman
- Former Chairman of Jerry Brown for President campaign
- President of 1st L.A. Bank

BRUCE LEE

- UAW Officer-Assistant Director Western Region
- Jerry Brown for President Executive Committee
- Recovering from an aneurysm

CARMELLA LACAYO

- Vice Chair of DNC
- Early Carter supporter in the Mexican-American community
- Founder of Council on Aging
- Former nun
- Hank Lacayo's sister

STATE SENATORS

SENATOR OMAR RAINS

- Early Carter
- Active in Campaign
- Caucus Leader in Senate
- From Ventura

LOS ANGELES AIRPORT

STATE SENATOR NATE HOLDEN

- From South Central Los Angeles-Black
- Former Deputy to Supervisor Hahn
- Active in Carter Campaign
- Former President C.D.C.
- Very Liberal

STATE ASSEMBLY

JULIAN DIXON

- From South L.A.-Black
- Democratic Caucus Leader
- On Criminal Justice Committee
- Author of Juvenile Delinquency Prevention Bill

HOWARD BERMAN

- Majority Leader in Assembly
- Labor Lawyer
- Close friend of Congressman Henry Waxman
- Close to Brown and Bradley, personally and politically
- From Sherman Oaks

JOE MONTROYA

- Early Carter supporter
- One of 4 Mexican-Americans in the Assembly
- From La Puente-Eastern Los Angeles
- Former Mayor of La Puente
- Former Whip of the Assembly
- Very interested in Vocational Education
- Former Social Worker
- Graduate of U.C.L.A.

MAXINE WATERS

- Freshman Legislator-Black
- Former AA to Dave Cunningham
- From South Los Angeles

THERESA HUGHES

- Doctor of Education-Black
- Leader of the Legislative Black Caucus
- From South Central Los Angeles

LABOR REPRESENTATIVES

BILL ROBERTSON

- Executive Secretary Treasurer L.A. County AFL/CIO
- Active in General Election for Campaign

JERRY WHIPPLE

- U.A.W. Region 12
- Defeated Paul Schrade for this position in a tough fight
- Popular with rank and file

LOS ANGELES AIRPORT

DEMOCRATIC NATIONAL COMMITTEE

COMMITTEEMAN DICK SILBERMAN

- From San Diego
- Helped in Campaign especially with Mondale visits
- Finance, private investor

COMMITTEEWOMAN VIRGINIA CARTER

- Black-late thirties
- Social Welfare activist
- From L.A.

COMMITTEEMAN STEVE REINHARDT

- Attorney
- Democratic National Committeeman for California 1968-72  
1976 to present

COMMITTEEWOMAN HALLIE TENNER

- From Los Angeles
- Feminist-wife of Jack Tenner, old time party  
activist/fundraiser

COMMITTEEWOMAN IRENE TOVAR

- Community Action program activist
- From San Fernando Valley

COMMITTEEMAN LAWRENCE WEINBURG

- Retired, 25 years as a major homebuilder

EARLY CARTER

ELSA AND BUZZ PAULEY

- very early Carter supporters
- Buzz is an attorney

LOU WASSERMAN

- Chairman of the Board, M.C.A.
- Democratic fundraiser

ROGER LEWIS

- Member of Lewis Family from Georgia
- Major fundraiser
- Dentist - 32 years old
- Steve Selig's brother-in-law
- Lives in Westwood

State Political Summary  
(Kevin Smith, DNC)

The President has a 53% "good job" rating compared to Governor Brown's 44% rating in the latest state-wide "Field poll." The President's unfavorable rating (5%) is the lowest ever measured by this poll for a prominent office-holder. (Brown's negative rating is now 16%.)

The Energy message was generally received well in the State, with objections mostly confined to the gas tax and coal conversion aspects of the bill.

The President's concept of "starting from scratch" with the welfare system was also received well, especially in Los Angeles where 1 out of every 7 citizens receive some form of welfare assistance. The President's Health Care Cost legislation was compared by many with Brown's legislative proposal which would set up a commission to set rates for hospital care costs. Universal voter registration has been endorsed by Jesse Unruh and March Fong Eu.

Governor Brown has a comfortable relationship with Speaker Leo McCarthy and Senate President Pro Tem James Mills. McCarthy is viewed as a very powerful and competent Speaker overshadowing Mills, his counterpart in the Senate. Lt. Governor Dymally has been neutralized by Brown, and it is questionable as to whether or not he will run for re-election in '78. State Treasurer Unruh (early Carter supporter) is viewed by many as a threat to Brown because he is bored with being treasurer, and is testing the waters for becoming Lt. Governor, a position which Brown does not want Unruh to occupy.

The State Legislature is working on several subjects of statewide significance:

- Property Tax relief - many owners have experienced a 50% increase in property tax in the last few years.
- Death Penalty - the Legislature will pass the Death Penalty Bill (perhaps this week). Brown will veto it, and the Legislature may override.
- Water Conservation - several bills ranging from irrigation, metering, and water waste are before the Legislature. Speaker McCarthy has taken the lead in this area.
- Energy - bills dealing with solar energy, home insulation, and tax incentives for energy conservation are pending.

In Los Angeles, the key issues currently are property tax relief and school busing. The busing issue is now up to a Superior Court Judge who will approve a School Board plan or develop one of his own to comply with the Supreme Court ruling. The mayor is against "cross town busing to achieve school integration." He has refrained from endorsing any of the candidates in the School Board elections (May 31st) with pro- and anti-busing candidates. The mayor received some criticism for his "soft" stand on busing in his recent campaign.

Fresno was strongly against Prop 14 in the general election, a feeling that has subsided somewhat over the last few months. Of particular concern to the people of Fresno is the drought, and the drought legislation pending in the Assembly.

The State party is chaired by Bert Coffey, former Northern Chairman, and an established State party politician. The Northern Chairman is Nancy Pelosi, who is close to Governor Brown. In the South, Bruce Corwin, an early and ardent Carter supporter, is the Chairman. The Party is viewed by most people as relatively insignificant due to lack of organization. None of the state-wide elected officials are active in party affairs.

# STATE AND LOCAL STATISTICAL SUMMARY

## UNEMPLOYMENT ( seasonally adjusted)

<u>LOS ANGELES CITY</u>	<u>CALIFORNIA</u>
APRIL	APRIL
1977: 7.3% <i>&gt; -2%</i>	1977: 7.8%
1976: 9.3%	1976: 9.3%
1974: 6.9%	1974: 6.9%
JANUARY	JANUARY
1977: 7.8%	1977: 8.5%

## VOTING AND REGISTRATION

### LOS ANGELES COUNTY

PRESIDENTIAL VOTE	REGISTRATION
50% Carter	60.3% Democrats
48% Ford	32.8% Republicans
2% Other	5.9% Independents
	1.0% Others

## PER CAPITA INCOME

<u>LOS ANGELES CITY</u>	<u>CALIFORNIA</u>	<u>NATION</u>
1975: \$6,800	1975: \$6,596	1975: \$5,903

## FRESNO STATISTICS

### UNEMPLOYMENT (seasonally adjusted)

April 1977 not available  
 March 1977 8.9%  
 January 1977 : 9.6%  
 April 1976: 8.5%  
 April 1974: 7.5 %

## VOTING AND REGISTRATION

### FRESNO COUNTY

PRESIDENTIAL VOTE	REGISTRATION
50% Carter	62.7 % Democrats
48% Ford	31.5 % Republican
2% Other	

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 for Preservation Purposes**



U.A.W. SPEECH

UAW SPEECH  
LOS ANGELES. CALIFORNIA  
MAY 17. 1977

Electrostatic Copy Made  
for Preservation Purposes

30  
24-30  
5-30

VP- Yugoslav

YOUR UNION WAS BORN IN STRUGGLE  
-- AND YOU HAVE WON MANY VICTORIES.  
BUT YOU HAVE NEVER RETREATED INTO  
COMPLACENCY OR NARROW SELFISHNESS.

THE UAW IS STILL FIGHTING --  
BECAUSE THIS UNION HAS ALWAYS UNDERSTOOD  
THAT IT CANNOT STAND ALONE, THAT IT  
IS AN INTEGRAL PART OF A LARGER  
SOCIETY AND A LARGER WORLD.

VERY FEW INSTITUTIONS ANYWHERE  
HAVE BEEN SO FORTUNATE AS TO HAVE  
HAD THE KIND OF SUPERB LEADERSHIP  
THAT HAS BEEN A MARK OF THE UAW.

FOR THIRTY-ONE YEARS THIS UNION  
HAS BEEN LED BY MEN WHOSE VISION AND  
SENSE OF RESPONSIBILITY EXTENDED  
FAR BEYOND THE WALLS OF SOLIDARITY  
HOUSE -- MEN WHO HAVE DEMANDED DECENCY  
AND A BETTER LIFE NOT JUST FOR YOUR  
OWN MEMBERSHIP BUT FOR ALL PEOPLE.

THE NEXT PRESIDENT OF THE UAW  
HAS BIG SHOES TO FILL.

I WON'T PREDICT WHO IS GOING TO  
WIN YOUR ELECTION TOMORROW -- THOUGH  
I NOTICE THAT DOUG FRASER DOESN'T  
LOOK TOO WORRIED.

WHEN WALTER REUTHER'S LIFE WAS  
SO TRAGICALLY CUT SHORT, SEVEN YEARS  
AGO, THERE WERE PREDICTIONS THAT  
THIS UNION WOULD TURN INWARD AND  
ABANDON ITS ROLE AS A DEFENDER OF  
SOCIAL JUSTICE.

---

LEONARD WOODCOCK SHOWED HOW  
WRONG THOSE PREDICTIONS WERE. HE  
HAS LEFT HIS MARK <sup>OF SUPPORT</sup> FOR THE POOR AND  
THE OPPRESSED AS CLEARLY AS FOR HIS *OWN*  
MEMBERS AT THE BARGAINING TABLE.

RECENTLY, AS YOU KNOW, I ASKED  
HIM TO UNDERTAKE AN EXTREMELY SENSITIVE  
ASSIGNMENT IN VIETNAM.

LEONARD WOODCOCK DID A SUPERB  
JOB.

AND ALTHOUGH HE IS RETIRING AS  
PRESIDENT OF THIS INTERNATIONAL UNION,  
HE WILL CONTINUE TO SERVE HIS COUNTRY  
IN A NEW INTERNATIONAL ROLE. I WILL  
SOON SUBMIT HIS NAME TO THE SENATE  
TO BE CHIEF OF THE U. S. LIAISON  
OFFICE IN CHINA, WITH THE RANK OF  
AMBASSADOR.

SOME PEOPLE MAY WONDER WHY I AM  
SENDING A LABOR LEADER INSTEAD OF A  
PROFESSIONAL DIPLOMAT TO HANDLE SUCH  
IMPORTANT NEGOTIATIONS.

I THINK THERE ARE SOME EXECUTIVES  
AT FORD -- AND GM -- AND CHRYSLER --  
AND AMC WHO MIGHT BE ABLE TO ANSWER  
THAT QUESTION.

TRANSLATOR

<sup>DOMESTIC</sup> THE PROBLEMS WHICH WE <sup>AMERICANS</sup> FACE ARE  
DIFFICULT INDEED. BUT WE HAVE THE  
COURAGE AND INGENUITY AND GREATNESS  
OF SPIRIT TO MEET THE CHALLENGES.  
I BELIEVE THAT WE CAN BUILD AN  
AMERICA IN WHICH OUR DAY-TO-DAY

PRACTICES LIVE UP TO OUR DEMOCRATIC IDEALS -- IN WHICH FAMILY LIFE IS STRONG AND STABLE -- IN WHICH THE NEIGHBORHOODS OF OUR CITIES ARE VITAL AND SAFE -- IN WHICH WORK IS JUSTLY AND FAIRLY REWARDED -- IN WHICH OPPORTUNITY IS NOT LIMITED BY COLOR OR SEX OR RELIGION OR ECONOMIC BACKGROUND -- IN WHICH THERE IS SCHOOLING AND EMPLOYMENT FOR THE YOUNG AND DIGNITY AND SECURITY FOR THE OLD.

WE MUST WORK TOGETHER TO CONTROL INFLATION AND TO GET OUR ECONOMY MOVING AGAIN.

WE MUST COME TO TERMS WITH A  
GROWING SHORTAGE OF ENERGY WHICH,  
IF IGNORED, WILL GRAVELY DAMAGE THE .  
VERY FABRIC OF OUR SOCIETY.

WE MUST SAFEGUARD THE INTEGRITY  
OF OUR SOCIAL SECURITY SYSTEM.

WE MUST TOTALLY REFORM OUR TAX  
AND WELFARE SYSTEMS.

WE MUST ENSURE THE HEALTH OF  
OUR PEOPLE.

AND WE MUST DEVELOP A GOVERNMENT  
WHICH IS OPEN ENOUGH TO EARN THE



TRUST AND SUPPORT OF THE PEOPLE IN  
ADDRESSING THESE CRUCIAL ISSUES --  
AND EFFICIENT ENOUGH TO ENSURE THAT  
OUR EFFORTS WILL BEAR FRUIT.

THE ACHIEVEMENT OF ALL OUR GOALS  
DEPENDS ON THE FIRST ONE -- A STRONG  
AND GROWING ECONOMY.

AT THE BEGINNING OF THIS  
ADMINISTRATION, <sup>our</sup> ~~THE~~ ECONOMY WAS STILL  
FLOUNDERING FROM ~~[THE EFFECTS OF]~~ THE  
WORST RECESSION IN 40 YEARS -- ~~[AN~~  
~~ECONOMY IN WHICH]~~ THE WELL-BEING OF  
OUR PEOPLE WAS SQUEEZED BETWEEN THE  
TWIN PRESSURES OF HIGH UNEMPLOYMENT  
AND HIGH INFLATION.

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THAT PICTURE HAS IMPROVED AS  
BUSINESS AND CONSUMER CONFIDENCE HAS  
GROWN.

LAST MONTH, THE NUMBER OF  
AMERICANS WITH JOBS IN THE PRIVATE  
SECTOR OF OUR ECONOMY WENT OVER  
90,000,000 FOR THE FIRST TIME IN  
OUR HISTORY.

EIGHT-HUNDRED THOUSAND PEOPLE  
HAVE GONE OFF THE UNEMPLOYMENT ROLLS  
SINCE DECEMBER. HALF A MILLION  
FOUND JOBS IN APRIL ALONE.

PRIVATE SURVEYS HAVE SHOWN THAT  
INVESTMENT PLANS FOR 1977 ARE UP

*MORE THAN 15%*  
SIGNIFICANTLY, FROM 1976.

UNEMPLOYMENT NOW STANDS AT ITS  
LOWEST LEVEL IN TWENTY-NINE MONTHS  
-- DOWN A FULL PERCENTAGE POINT SINCE  
LAST NOVEMBER. BUT AT SEVEN PER CENT,  
IT IS STILL ~~[TOO HIGH]~~ UNACCEPTABLE.

WE STILL HAVE A LONG WAY TO GO.  
THE EQUALLY DANGEROUS THREAT OF  
INFLATION IS BUILDING. CONSUMER  
PRICES, REFLECTING THE EFFECTS OF  
THE DROUGHT AND LAST WINTER'S COLD  
WEATHER, HAVE BEEN GOING UP AT A  
10 PER CENT ANNUAL RATE IN THE LAST  
THREE MONTHS. THE BASIC UNDERLYING

INFLATION RATE IS STILL AROUND SIX  
PER CENT. THESE FIGURES ARE MUCH  
TOO HIGH FOR COMFORT.

INFLATION ~~HURTS ALMOST EVERYONE.~~  
~~BUT IT~~ FALLS HARDEST ON PEOPLE OF  
MODEST MEANS AND PEOPLE WHO HAVE  
WORKED ALL THEIR LIVES FOR A LITTLE  
SECURITY AND FIND THAT SECURITY  
THREATENED. INFLATION ROBS US OF  
OUR CONFIDENCE IN THE FUTURE.

~~UNEMPLOYMENT EXACTS A TERRIBLE~~  
~~TOLL IN HUMAN SUFFERING. THAT~~  
~~SUFFERING IS PSYCHOLOGICAL AND SOCIAL~~  
~~AS WELL AS ECONOMIC. ALL OF US HAVE~~

SEEN OR FELT THE PAIN OF A WORKER  
WHO HAS ALWAYS HAD A JOB AND NOW  
CAN'T FIND ONE, A YOUNG PERSON WHO  
IS UNABLE TO GET THAT FIRST JOB,  
OR A FAMILY WHOSE BILLS ARE MOUNTING  
AND HAS NO PAYCHECK TO COVER THEM.

However, AT THE RECENT LONDON SUMMIT  
CONFERENCE ALL THE LEADERS AGREED  
THAT THE GREATEST THREAT TO THE  
ECONOMIC FUTURE OF THE WESTERN  
DEMOCRACIES IS WIDESPREAD UNEMPLOYMENT  
OF YOUNG PEOPLE.

EXPERIENCE HAS SHOWN THAT  
WE MUST ATTACK BOTH JOBLESSNESS  
AND RISING PRICES -- ~~BECAUSE EXPERIENCE~~  
TOGETHER.

~~HAS SHOWN THAT IF WE DON'T ATTACK  
THEM TOGETHER, WE WON'T BE ABLE TO  
PUT A REAL DENT IN EITHER.]~~

TO GET OUR ECONOMY MOVING AGAIN,  
WE HAVE PROPOSED BOTH DIRECT JOB  
CREATION AND PERMANENT TAX REDUCTION  
FOR LOW AND MIDDLE INCOME TAXPAYERS.

LAST WEEK I SIGNED INTO LAW A  
PUBLIC WORKS BILL WHICH WILL PROVIDE  
BOTH NECESSARY COMMUNITY IMPROVEMENTS  
AND 600,000 JOBS, CONCENTRATED IN  
AREAS OF HIGH UNEMPLOYMENT.

WE HAVE PROPOSED MORE THAN  
DOUBLING THE EXISTING JOB PROGRAM

FOR THE LONG-TERM UNEMPLOYED AND THE  
YOUNG -- AND CONGRESS HAS APPROPRIATED  
 THE MONEY WE REQUESTED TO INCREASE  
PUBLIC SERVICE JOB SLOTS FROM 310,000  
 TO 725,000.

*TRAIN* I HAVE PROPOSED A MAJOR INITIATIVE  
 TO PUT OUR YOUNG PEOPLE INTO PRODUCTIVE  
AND RURAL AREAS  
 JOBS IN OUR CITIES, AND NATIONAL PARKS.

IN ADDITION, WE WILL PROVIDE <sup>WORK</sup>~~JOBS~~  
 THIS SUMMER FOR MORE THAN A MILLION  
 YOUNG PEOPLE -- MORE THAN EVER BEFORE.

TO HELP OUR HARD-PRESSED CITIES,  
 WE HAVE SUPPORTED -- AND CONGRESS

APPROVED YESTERDAY --

~~[WILL SOON PASS]~~ -- A MAJOR EXPANSION  
OF COUNTER-CYCLICAL REVENUE SHARING.

WE'VE ALSO PROPOSED A <sup>RENEWED</sup> ~~[MAJOR EXPANSION  
OF OUR]~~ COMMUNITY BLOCK GRANT PROGRAM,  
WITH CHANGES THAT WILL STIMULATE  
PRIVATE INVESTMENT IN HOUSING AND  
OTHER DEVELOPMENT AND PUT MORE OF  
THE MONEY INTO THE CITIES THAT NEED  
IT MOST.

WE SUPPORT EXTENDING THE EARNED  
INCOME TAX CREDIT AND THE GENERAL  
PERSONAL TAX CREDIT -- WHICH TOGETHER  
ADD UP TO \$6.8 BILLION <sup>ANNUALLY</sup> IN INDIVIDUAL  
TAX RELIEF. ~~[MOST OF THAT RELIEF]~~ MOSTLY  
FOR ~~WILL GO TO~~ LOW- AND MIDDLE-INCOME



FAMILIES, INCLUDING <sup>THOSE</sup> ~~FAMILIES THAT ARE~~  
TOO POOR TO OWE ANY INCOME TAX.

IN ADDITION, I WILL SIGN INTO  
LAW A PERMANENT \$4 BILLION TAX CUT  
THROUGH INCREASES IN THE STANDARD  
DEDUCTIONS. EIGHTY-EIGHT PER CENT  
OF THIS RELIEF WILL GO TO FAMILIES  
WITH INCOMES OF LESS THAN \$15,000  
A YEAR. AND 3.3 MILLION LOW-INCOME  
TAXPAYERS WILL NO LONGER HAVE TO PAY  
ANY FEDERAL INCOME TAXES AT ALL.

THIS MEASURE IS GOING TO SAVE  
PEOPLE MONEY AND CREATE JOBS. IT

IS ALSO GOING TO SAVE A LOT OF TIME  
AND HEADACHES NEXT APRIL -- BECAUSE  
75 PER CENT OF ALL TAXPAYERS WILL  
[~~THEN~~] BE ABLE TO TAKE THE STANDARD  
DEDUCTION AND COMPUTE THEIR TAXES  
IN ONE STEP.

[PUTTING PEOPLE BACK TO WORK  
AND STIMULATING ECONOMIC GROWTH  
WILL CREATE THE CONDITIONS FOR MORE  
JOBS AND WILL ENCOURAGE INVESTMENT  
IN NEW PRODUCTIVE CAPACITY.]

[THAT NEW CAPACITY WILL MEAN THAT  
AS WE APPROACH FULL EMPLOYMENT, WE  
WON'T RUN INTO THE SHORTAGES AND

BOTTLENECKS THAT PRODUCE INFLATION. REDUCING THE INFLATION RATE WILL PROVIDE A FURTHER SPUR TO INVESTMENT. AND AS RECOVERY CONTINUES AND TAX REVENUES GROW, BOTH THE NEED FOR BUDGET DEFICITS AND THE REASON FOR THEM WILL BEGIN TO DISAPPEAR.

WE MUST FIGHT INFLATION STEP BY STEP. I HAVE ALREADY PROPOSED A BROAD-BASED PROGRAM TO ATTACK INFLATION. THIS PLAN INCLUDES A PROPOSAL TO DEREGULATE OUR AIRLINES, TO MAKE THEM MORE COMPETITIVE. THE ATTORNEY GENERAL WILL SOON HAVE PROPOSALS FOR LEGISLATION TO ALLOW

~~US TO ATTACK ANTI-TRUST PRACTICES  
MORE QUICKLY AND EFFECTIVELY.~~

~~SO~~ THE MULTIPLE GOALS OF OUR  
ECONOMIC STRATEGY REINFORCE ONE  
ANOTHER. THAT STRATEGY IS DESIGNED  
TO CUT UNEMPLOYMENT TO BELOW FIVE  
PER CENT BY 1981; TO WORK WITH  
BUSINESS AND LABOR TOGETHER TO  
KNOCK TWO PERCENTAGE POINTS OFF  
THE INFLATION RATE BY THE END OF  
1979; AND, WITH THE HIGHER REVENUES  
THAT GROWING EMPLOYMENT WILL BRING,  
TO ACHIEVE A BALANCED BUDGET IN  
FISCAL YEAR 1981.

AGAIN I WANT ~~(PARTICULARLY)~~ TO STRESS  
TWO POINTS ABOUT OUR ECONOMIC POLICY.

ONE POINT IS THAT WE AIM BY  
1981 TO BALANCE THE BUDGET IN A  
STRONG AND HEALTHY ECONOMY, WITH  
THE REVENUES THAT SUCH AN ECONOMY  
PRODUCES. IT'S NOT LEGITIMATE  
SPENDING ON HUMAN NEEDS THAT CAUSES  
OUR DEFICITS -- IT IS PRINCIPALLY  
THE INADEQUATE REVENUES FROM A  
SLUGGISH ECONOMY THAT CREATE THEM.  
CUTTING BACK PROGRAMS THAT REALLY  
HELP PEOPLE IS NOT THE WAY TO BALANCE  
THE BUDGET. BUT EVEN WITH ADEQUATE

REVENUES, WE WILL HAVE TO MAKE SOME  
HARD CHOICES ABOUT HOW WE SPEND THE  
TAXPAYERS' MONEY. WE CAN'T AFFORD  
TO DO EVERYTHING.

~~WITH INCOMES AND PROFITS RISING  
AND WITH CONFIDENCE IN THE FUTURE  
RETURNING, OUR ECONOMY CAN PROVIDE  
THE MILLIONS OF JOBS NEEDED TO MEET  
THE GOAL OF HIGH EMPLOYMENT. UNDER  
THOSE CONDITIONS, WE WILL BALANCE  
THE BUDGET -- AND WE MUST, TO AVOID  
INFLATION.~~

THE OTHER POINT IS THAT I AM  
UNALTERABLY OPPOSED TO FIGHTING

KEEPING

INFLATION BY ~~ECONOMIC AND BUDGETARY~~  
~~POLICIES WHICH KEEP~~ UNEMPLOYMENT HIGH  
 AND FACTORIES IDLE. THAT APPROACH IS  
 ECONOMICALLY INEFFECTIVE AND MORALLY  
 BANKRUPT. IF THE RECOVERY SHOULD  
 FALTER DURING THE YEARS AHEAD, I WILL  
 NOT HESITATE TO PROPOSE THE ECONOMIC AND BUDGETARY  
 MEASURES NEEDED TO GET IT GOING AGAIN.

THE MAJOR CHALLENGE IS  
 A SECOND ENERGY.

THE ENERGY CRISIS IS THE GREATEST  
DOMESTIC CHALLENGE OUR COUNTRY WILL  
 FACE IN OUR LIFETIME. I STILL FIND  
 IT ALMOST INCREDIBLE THAT OUR COUNTRY  
 HAD NO COHERENT PLAN FOR DEALING WITH  
 IT UNTIL THIS YEAR.

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I HAVE PROPOSED SUCH A PLAN, AND  
A NEW DEPARTMENT TO ADMINISTER IT.

THE PLAN IS BASED UPON THREE  
INESCAPABLE REALITIES.

THE FIRST IS THAT WE ARE RUNNING  
OUT OF OIL. THE SECOND IS THAT OIL  
WILL, NEVERTHELESS, HAVE TO REMAIN  
OUR PRIMARY ENERGY SOURCE FOR MANY  
YEARS AND MUST NOT BE WASTED. THE  
THIRD IS THAT UNLESS WE BEGIN SOON  
TO PREPARE FOR THE TRANSITION TO  
OTHER SOURCES OF ENERGY, THE CONSE-  
QUENCES FOR OUR SOCIETY AND OUR WAY OF  
LIFE WILL BE SEVERE.



WE COULD FACE MASSIVE UNEMPLOY-  
MENT, CRIPPLING INFLATION, SOCIAL  
AND POLITICAL INSTABILITY, AND THREATS  
TO OUR FREEDOM OF ACTION IN INTERNA-  
TIONAL AFFAIRS.

WE CANNOT JUST RELY ON INCREASED  
PRODUCTION. WHILE FINDING MORE OIL  
IS IMPORTANT, WE WOULD HAVE TO  
DISCOVER A NEW ALASKAN OIL FIELD  
EVERY YEAR JUST TO KEEP PACE WITH  
THE ANNUAL GROWTH IN WORLD CONSUMPTION.  
NO MATTER HOW STRONG THE FINANCIAL  
INCENTIVES, THAT IS SIMPLY NOT GOING  
TO HAPPEN. WE MUST SAVE OIL AND GAS  
FOR USES WHERE THERE IS NO GOOD

SUBSTITUTE, SHIFT TO OTHER SOURCES  
WHEN POSSIBLE, AND DEVELOP NEW SOURCES  
SUCH AS SOLAR ENERGY. THERE ARE NO  
WORKERS IN AMERICA WHOSE FUTURE JOBS  
DEPEND MORE THAN YOURS ON A GOOD  
ENERGY PROGRAM BASED ON STRICT  
CONSERVATION.

YOU KNOW THAT MEETING OUR ENERGY  
GOALS WILL <sup>NOT</sup> BE <sup>EASY</sup> TOUGH. IT WILL REQUIRE  
SACRIFICE FROM EVERYONE IN THE COUNTRY.

WE CANNOT USE THE FUEL CRISIS  
AS AN EXCUSE FOR NOT CLEANING UP  
OUR AIR. I HAVE PROPOSED TOUGH BUT  
FAIR AIR POLLUTION STANDARDS. WE

HAVE GOT TO IMPROVE THE EFFICIENCY  
OF OUR CARS. THAT IS WHY I PROPOSED  
THE GAS GUZZLER TAX.

YOU AND I HAVE HONEST DIFFERENCES  
OF OPINION OVER SOME ASPECTS OF MY  
PROPOSALS. BUT I DON'T HESITATE TO  
ASK FOR YOUR HELP, BECAUSE I KNOW  
WHAT YOU HAVE DONE IN THE PAST. YOU  
HAVE NEVER LOST SIGHT OF THE BROADER  
INTERESTS OF OUR NATION. WALTER  
REUTHER HELPED MAKE THE CLEAN AIR  
ACT A REALITY. YOUR MEMBERS ALREADY  
BUILD CARS THAT GET 30 MILES PER  
GALLON AND MORE.

IT IS ABSOLUTELY INEVITABLE THAT  
WE WILL SHIFT TO MORE EFFICIENT  
AUTOMOBILES WITH A CLEAN EXHAUST.  
THIS PAST QUARTER A LARGER PERCENTAGE  
OF AMERICANS BOUGHT FOREIGN-MADE CARS  
THAN EVER BEFORE. I KNOW YOU AGREE  
THAT THE SOLUTION IS NOT TO ERECT  
TRADE BARRIERS TO KEEP OUT FOREIGN  
COMPETITION. THAT ONLY LEADS TO  
RETALIATION AND ADDED INFLATION.  
THE SOLUTION LIES IN USING OUR GREAT  
AMERICAN INGENUITY TO DESIGN AND  
PRODUCE THE RIGHT CARS FOR THE FUTURE.  
I CAN THINK OF NO MORE DISASTROUS  
ASSUMPTION FOR THE AMERICAN AUTOMOBILE  
INDUSTRY THAN THAT WE CANNOT SUCCESS-  
FULLY COMPETE WITH FOREIGN COMPANIES

THAT PRODUCE AND SELL SUCH CARS. WE  
CAN COMPETE - SUCCESSFULLY.

NOW I WANT TO DISCUSS OUR SOCIAL  
SECURITY SYSTEM, A PROBLEM FOR ALL  
WESTERN DEMOCRACIES.

SOCIAL SECURITY, WHICH IS PERHAPS  
THE GREATEST LEGACY OF THE NEW DEAL  
AND WHICH HAS SERVED US SO WELL FOR  
FORTY YEARS, HAS BEEN PAYING OUT  
MORE THAN IT HAS TAKEN IN SINCE 1975.  
UNLESS WE TAKE ACTION NOW THE DISABILITY  
INSURANCE FUND'S RESERVES WILL BE GONE  
IN TWO YEARS, AND THE RETIREMENT  
RESERVES WILL BE EXHAUSTED FOUR  
YEARS AFTER THAT.

SOME HAVE PROPOSED A SIMPLE SOLUTION FOR THIS: TAX THE AMERICAN WORKER TO THE HILT. WELL, WE'RE NOT GOING TO DO THAT. TOO MANY PEOPLE ARE ALREADY PAYING MORE ~~[IN]~~ PAYROLL TAXES THAN ~~[IN]~~ INCOME TAXES. ~~[AS IT IS]~~

AND WE'RE NOT GOING TO LET SOCIAL SECURITY GO BROKE. WE'RE GOING TO KEEP FAITH WITH THE 33 MILLION AMERICANS WHO RECEIVE BENEFITS AND THE 104 MILLION OF US WHO ARE PAYING INTO THE SYSTEM WITH THE EXPECTATION THAT WE WILL RECEIVE BENEFITS WHEN WE RETIRE OR BECOME DISABLED OR WHEN OUR DEPENDENTS NEED HELP.

THERE IS NO EASY ANSWER, BUT

THE CHANGES I SUBMITTED TO THE CONGRESS WILL MAKE SOCIAL SECURITY FINANCIALLY SOUND FOR THE REST OF THE CENTURY AND WILL CORRECT MOST OF THE PROBLEMS FOR THE NEXT 75 YEARS -- AND WITHOUT A HIGHER TAX RATE THAN ALREADY SCHEDULED BY LAW FOR THE AVERAGE WAGE EARNER. I'M GOING TO NEED YOUR HELP IN CONGRESS TO GET THIS BILL PASSED.

GOAL IS TO REFORM  
our FOURTH, OUR WELFARE SYSTEM AND  
OUR TAX SYSTEM.

IN BOTH OF THESE CASES, TINKERING WILL NOT BE ENOUGH. THEY MUST BE THOROUGHLY REDESIGNED.

OUR PRESENT WELFARE SYSTEM ROBS  
THE TAXPAYERS WHO SUPPORT IT, DISCOURAGES THE PEOPLE WHO ADMINISTER  
IT, AND DEGRADES THE PEOPLE WHO REALLY  
DO NEED HELP. IT IS AN EXTRAORDINARILY  
COMPLEX AND DIFFICULT PROBLEM -- EVEN  
MORE SO THAN WE HAD EXPECTED. TWO  
WEEKS AGO I OUTLINED THE PRINCIPLES  
THAT MUST UNDERLIE THE REFORM OF THE  
SYSTEM, AND WE WILL HAVE LEGISLATIVE  
PROPOSALS READY BY THE END OF THE  
SUMMER.

WE'VE BEGUN TO MOVE IN THIS  
DIRECTION BY SIMPLIFYING THE FOOD  
STAMP PROGRAM, ELIMINATING THE



PURCHASE REQUIREMENT AND REFORMING  
THE ELIGIBILITY RULES.

AS FOR OUR TAX SYSTEM, IT TOO  
MUST BE REFORMED THROUGH AND THROUGH.  
OUR TAX SYSTEM WAS ONCE RELATIVELY  
SIMPLE AND PROGRESSIVE. IT ISN'T  
ANY MORE, BECAUSE IT HAS BEEN CHANGED  
SO MUCH OVER THE YEARS -- OFTEN FOR  
THE BENEFIT OF THOSE WHO ARE RICH  
ENOUGH TO HIRE THEIR OWN LOBBYISTS.  
THE PROCESS OF REDESIGN IS WELL  
UNDERWAY, AND WE INTEND TO SUBMIT  
LEGISLATION TO THE CONGRESS [~~AS EARLY~~  
~~AS POSSIBLE~~] THIS YEAR.

our FIFTH, <sup>MAJOR CONCERN</sup> IS  
THE HEALTH OF OUR PEOPLE.

JIM CORMAN

GOOD HEALTH FOR EVERY AMERICAN  
IS ONE OF MY PRIMARY CONCERNS, AND  
I KNOW IT IS ONE OF YOURS. WE MUST  
APPROACH THIS PROBLEM ON MANY LEVELS.

~~[I BELIEVE THAT]~~ WE MUST ~~[INCREASE~~  
~~OUR EMPHASIS ON]~~ DEAL ~~[ING]~~ WITH THE  
CAUSES OF ILLNESS. THIS MEANS  
PROMOTING A CLEANER ~~[AND HEALTHIER]~~  
ENVIRONMENT, <sup>AND SAFER & HEALTHIER WORK PLACE</sup> AND WE WILL BE SUBMITTING  
*THESE* ~~[DETAILED]~~ PROPOSALS ~~[TO DO THAT]~~ IN  
ABOUT A WEEK.

IT MEANS HELPING OUR CHILDREN  
AVOID PREVENTABLE DISEASES -- AND  
SOME 5.5 MILLION CHILDREN WILL BE  
IMMUNIZED OVER THE NEXT THIRTY MONTHS.

ALSO, UNDER OUR PROPOSED CHILD HEALTH  
ASSESSMENT PROGRAM, NOW BEFORE THE  
CONGRESS, NEARLY TEN MILLION YOUNG  
CHILDREN WILL BE SCREENED IN 1982,  
A FIVE-FOLD INCREASE OVER PRESENT  
PROGRAMS.

IN ORDER TO MAKE MEDICAL CARE  
AVAILABLE IN INNER CITIES AND RURAL  
AREAS ~~[WHERE THERE ARE NOT ENOUGH~~  
~~DOCTORS]~~ WE'VE PROPOSED LEGISLATION  
~~[UNDER MEDICARE]~~ THAT WILL MAKE NURSE  
PRACTITIONERS AND PHYSICIANS'  
ASSISTANTS AVAILABLE TO HELP FILL  
THE GAP.

FINALLY, I AM COMMITTED TO THE  
PHASING IN OF A WORKABLE NATIONAL  
HEALTH INSURANCE SYSTEM.

IT WAS THIS UNION THAT MADE  
NATIONAL HEALTH INSURANCE A NATIONAL  
ISSUE. LEONARD WOODCOCK HAS GIVEN  
ME AN EDUCATION ABOUT THE NEED AND  
THE POSSIBLE WAYS FOR MEETING IT.  
[AND] HE IS A MEMBER OF THE ADVISORY  
COMMITTEE THAT WILL HELP DESIGN THE  
SYSTEM -- AND ~~THAT~~ WILL HOLD ITS  
FIRST MEETING LATER THIS WEEK. WE  
ARE AIMING TO SUBMIT LEGISLATIVE  
PROPOSALS EARLY NEXT YEAR.

BUT WE MUST MOVE IMMEDIATELY

TO START BRINGING HEALTH CARE COSTS  
UNDER CONTROL. IF WE DON'T, THE COST  
OF ANY NATIONAL HEALTH PROGRAM WILL  
DOUBLE EVERY FIVE YEARS.

HOSPITAL COSTS TAKE 40 CENTS  
OF EVERY HEALTH DOLLAR, AND THEY  
HAVE GONE UP AN INCREDIBLE ONE THOUSAND  
PER CENT SINCE 1950.

I HAVE PROPOSED HOSPITAL COST  
CONTAINMENT LEGISLATION THAT WOULD  
PUT THE BRAKES ON THESE INCREASES.

IT ~~ALLOWS~~ FOR ~~SPECIAL SITUATIONS~~ AND  
~~IMPROVEMENT OF CARE~~, BUT IT ALSO  
REWARDS ~~EFFICIENCY~~ AND BEGINS TO

~~CHECK THE SPIRALLING COSTS. THIS IS  
THE FIRST STEP TOWARD COMPREHENSIVE  
NATIONAL HEALTH CARE.~~

SIXTY OTHER NATIONS HAVE MANAGED  
TO COME UP WITH NATIONAL HEALTH PROGRAMS  
THAT MEET THE NEEDS OF THEIR PEOPLE.  
IT IS NOT BEYOND OUR INGENUITY TO DO  
THE SAME. AND I WANT THIS PROGRAM  
[~~TO BE~~] ESTABLISHED DURING MY TIME IN  
OFFICE.

~~THE~~ SIXTH <sup>MAYOR</sup> ~~THE~~ <sup>IS</sup> NEED <sup>A</sup> FOR AN OPEN AND  
EFFICIENT GOVERNMENT.

I'VE DONE MY BEST TO OPEN UP  
THE PRESIDENCY. I'VE TALKED PUBLICLY

ABOUT FOREIGN POLICY MATTERS THAT WERE  
FORMERLY CONSIDERED TOO SECRET AND  
COMPLICATED FOR THE EARS OF THE  
AMERICAN PEOPLE. I'VE HAD FREQUENT  
PRESS CONFERENCES. I'VE HAD DIRECT  
ENCOUNTERS WITH PEOPLE WHO DON'T  
NORMALLY GET TO TALK TO A PRESIDENT.

I INTEND TO CONTINUE DOING THESE  
THINGS. I ENJOY THEM. I BELIEVE THEY  
CONTRIBUTE TO THE DEMOCRATIC PROCESS.  
AND I THINK THEY'RE A SAFEGUARD AGAINST  
SOME OF THE ABUSES OF POWER WE'VE  
SUFFERED FROM IN THE PAST. JUST  
IMAGINE WHAT THAT TOWN MEETING IN  
MASSACHUSETTS WOULD HAVE BEEN LIKE  
IF I'D HAD A WATERGATE OR A VIETNAM  
ON MY HANDS.

THERE ARE OTHER WAYS WE CAN  
BUILD MORE OPENNESS AND RESPONSIVE-  
NESS INTO THE SYSTEM.

WE CAN MAKE SURE THAT THE ACTIVI-  
TIES OF GOVERNMENT OFFICIALS ARE  
DEVOTED EXCLUSIVELY TO THE PUBLIC  
INTEREST. I HAVE ASKED THE CONGRESS  
TO IMPOSE STRICT FINANCIAL DISCLOSURE  
STANDARDS ON MORE THAN 13,000 TOP  
FEDERAL EXECUTIVES. THIS WILL MAKE  
IT VERY DIFFICULT FOR HIGH GOVERNMENT  
OFFICIALS TO HAVE INTERESTS WHICH  
CONFLICT WITH THOSE OF THE PUBLIC.  
WE SHOULD INSIST ON THE SAME HIGH  
STANDARDS FOR PRIVATE INSTITUTIONS.



THAT IS WHY I HAVE PROPOSED MAKING  
FOREIGN BRIBERY BY AMERICAN COMPANIES  
A CRIME.

WE NEED TO OPEN UP OUR ELECTORAL  
SYSTEM TO GREATER PARTICIPATION. MANY  
WORKING PEOPLE DON'T VOTE NOW BECAUSE  
THEY DON'T HAVE THE TIME TO GO THROUGH  
LENGTHY AND NEEDLESS REGISTRATION  
PROCEDURES. VICE PRESIDENT MONDALE  
AND I HAVE WORKED OUT LEGISLATION  
THAT WOULD LET PEOPLE REGISTER AT  
THE POLLS ON THE DAY OF A FEDERAL  
ELECTION.

AND WE NEED TO CREATE AN AGENCY  
FOR CONSUMER PROTECTION.

THIS BILL WOULD CONSOLIDATE  
CONSUMER ADVOCACY PROGRAMS THAT ARE  
NOW SCATTERED INEFFECTIVELY THROUGHOUT  
THE MAZE OF FEDERAL AGENCIES. IT  
WOULD GIVE CONSUMERS A VOICE IN  
GOVERNMENT OFFICES WHERE, TOO OFTEN,  
THE ONLY VOICES HEARD HAVE BEEN THOSE  
OF LOBBYISTS FOR THE WEALTHY AND  
POWERFUL.

THERE ARE NOW ENORMOUS PRESSURES  
TO KILL THE LEGISLATION CREATING  
THIS NEW CONSUMER AGENCY. AND SOME  
POWERFUL SPECIAL INTERESTS, <sup>INCLUDING THE REPUBLICAN PARTY</sup> ARE TRYING  
TO KILL THE ELECTORAL REFORM BILL,  
BECAUSE THEY DON'T WANT WORKING  
PEOPLE TO REGISTER AND TO VOTE. WE

CAN'T LET THEM GET AWAY WITH IT. THE UAW HAS LONG SUPPORTED THESE MEASURES. TOGETHER, WE CAN GET THEM PASSED THIS YEAR.

WE MUST ALSO MAKE GOVERNMENT MORE EFFICIENT -- BECAUSE WE DON'T HAVE THE MONEY TO WASTE ON INEFFICIENCY, DUPLICATION, OR TO GIVE HANDOUTS TO THOSE WHO CAN TAKE CARE OF THEMSELVES.

WASTE ROBS US ALL. IT PREVENTS THE REALIZATION OF OUR HOPES.

AN EFFICIENT GOVERNMENT MEANS SPENDING MONEY ONLY WHERE IT WILL ACTUALLY BENEFIT OUR PEOPLE. WE'VE

PROPOSED A \$350 MILLION INCREASE IN THE TITLE I EDUCATION FUNDS FOR DEPRIVED CHILDREN. WE'VE PROPOSED RAISING THE BASIC OPPORTUNITY GRANT FROM \$1,400 TO \$1,800 PER YEAR, TO HELP FAMILIES PUT THEIR CHILDREN THROUGH COLLEGE.

BUT WHEN SPENDING IS WASTEFUL. WE'VE MOVED VIGOROUSLY TO CUT IT OUT.

WE FOUND \$4 BILLION IN WATER PROJECTS THAT SIMPLY COULDN'T BE JUSTIFIED OR WERE MORE EXPENSIVE OR ELABORATE THAN THEY NEEDED TO BE.

WE'RE MOVING TO GET RID OF SOME  
OF THE MORE THAN ELEVEN HUNDRED  
ADVISORY COMMISSIONS IN THE FEDERAL  
GOVERNMENT. ~~[ SOME OF THEM SERVE A~~  
~~USEFUL PURPOSE, OPENING UP THE~~  
~~GOVERNMENT TO CITIZEN PARTICIPATION~~  
~~AND GIVING US ADVICE WE NEED, BUT~~  
~~OTHERS HAVEN'T MET IN YEARS, OR ARE~~  
~~JUST ARTIFICIAL AND A WASTE OF MONEY.~~  
~~THEY HAVE GOT TO GO. ]~~

WE'RE INSTITUTING ZERO-BASED  
BUDGETING AND SUPPORTING SUNSET  
LEGISLATION, <sup>TO</sup> ~~[ WHICH WILL ]~~ HELP US  
GET RID OF PROGRAMS WHICH HAVE  
OUTLIVED THEIR USEFULNESS.

WE HAVE ALSO BEGUN A COMPLETE  
REORGANIZATION OF THE EXECUTIVE  
BRANCH.

WE'RE STARTING AT HOME -- IN  
THE EXECUTIVE OFFICE OF THE PRESIDENT.

~~WE'RE GOING TO DO IT THOROUGHLY AND  
WE'RE GOING TO DO IT RIGHT -- WITH  
WIDE-RANGING CONSULTATIONS EVERY  
STEP OF THE WAY. WE'RE GOING TO  
DO SOMETHING THAT'S ALMOST REVOLU-  
TIONARY: WE'RE GOING TO APPLY REASON  
TO THE ORGANIZATION OF THE FEDERAL  
BUREAUCRACY.~~

I BELIEVE ~~THAT~~ WE CAN BE FISCALLY  
RESPONSIBLE AND STILL SATISFY THE

NEEDS OF OUR PEOPLE -- AND I BELIEVE  
THAT WE CANNOT SATISFY OUR NEEDS  
UNLESS WE ARE COMPETENT AND EFFICIENT.

WE CAN CUT BOTH UNEMPLOYMENT AND  
INFLATION -- AND I BELIEVE THAT OUR  
POLICIES WILL HELP US REACH BOTH  
THESE GOALS.

WE CAN DO THESE THINGS IF WE  
REMEMBER THAT NOTHING GOOD COMES  
QUICKLY OR EASILY, THAT WE MUST  
MAKE HARD CHOICES ABOUT HOW TO USE  
OUR RESOURCES, AND THAT ONLY LEAN,  
EFFICIENT GOVERNMENT CAN TRANSLATE  
OUR GOOD INTENTIONS INTO ACTIONS  
THAT WILL IMPROVE THE LIVES OF OUR  
PEOPLE.

THAT'S THE KIND OF GOVERNMENT I  
AM DETERMINED TO HAVE. AND I WILL  
STICK TO THAT DETERMINATION, IN SPITE  
OF WHATEVER CRITICISM MAY COME.

IN HIS FINAL REPORT TO THIS  
CONVENTION, PRESIDENT WOODCOCK WROTE:  
"IN THE UNITED STATES, WE ARE MOVING  
FROM A PERIOD OF DEPRESSION, DESPAIR  
AND DESPONDENCY INTO A TIME OF RENEWED  
HOPE."

IF WE WORK TOGETHER IN OUR FREE  
NATION, THAT HOPE WILL NEVER FADE.



KNXT

THE WHITE HOUSE

WASHINGTON

May 16, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS J-

SUBJECT: Suggested Remarks on May 17

Jerry Doolittle has prepared the following suggested topics to precede your television show May 17:

1. One of a President's major jobs is to balance the needs of various parts of the country -- needs that are often competing, even within a single state. (Northern California, for instance, fears that the south will pump away its water in a drought emergency). The job is so tough because there is usually justice on both sides of these questions.

2. Your appearance here today is an attempt to bring the Presidency closer to the people. But you also hope that the questions will reflect regional interests, so that you can be better informed on the problems of the West.

3. Western congressional delegations, of course, are a great help in bringing regional problems to your attention. You have begun a series of meetings with the delegations from each of the country's great regions, so that you can weigh their needs more accurately.

4. California has pioneered in setting efficiency standards for air conditioners, refrigerators and freezers (which, along with furnaces and water heaters, account for

20% of our energy consumption). The state has set an example for the rest of the nation.

5. California's climate means that it can also be a leader in solar energy, which can be particularly useful in crop drying and other agricultural processes. Unfortunately, homeowners in California and some other states find that installing solar energy equipment increases property taxes. You hope these tax laws will be changed.

6. California imports energy and exports agricultural products. A need therefore exists to develop ways to grow more food with less energy. Some of the R&D funds contained in your energy proposals should help with the problem.

7. Energy shortages will lead to increased dependence on nuclear power -- which means water will be diverted from agriculture for nuclear cooling purposes. Again, there's no easy answer. Residential use of water is only 8-10% in the West, with most of the rest going for agriculture. Any important conservation of water will have to come out of the agricultural sector, through more thrifty irrigation techniques.

8. Another great problem in the West is earthquakes. You and your science advisor, Frank Press, are pushing for passage of the Earthquake Hazard Reduction Act, which provides money to monitor tremors and predict quakes.

KNXT TELEVISION SHOW  
LOS ANGELES CITIZENS TELEVISION MEETING

A. FORMAT AND BACKGROUND

The television broadcast is 90 minutes, 70 minutes of which features you answering questions from Los Angeles area citizens. (You will take approximately 5 minutes to leave through the studio audience; the final 15 minutes will be a discussion by the audience.)

The questions will come from the 170 persons in the studio audience and from persons at remote sites at five shopping centers in Los Angeles: Monterey Park (East L.A.), Carson Mall (South L.A.), Sherman Oaks (San Fernando Valley), Santa Ana (Orange County), and U.C.L.A. (West Los Angeles).\*

KNXT, a CBS owned station, asked 10 community newspapers to find 60 Presidential questioners, via coupons and appeals to community groups. From each newspaper's 60 semi-finalists, 17 finalists were selected in a drawing and invited to sit in the studio audience. Questioners at the "remote" sites will be selected on a "first-come, first serve" basis. No questions will be heard in advance and there will be no tape delays. KNXT reporters will control the microphones at each site.

The broadcast will be live from 12:30 to 2:00 p.m. and then shown again on tape that evening from 6:30 to 8:00 p.m. The show will also be carried by other CBS affiliates in the Pacific states.

You should alternate between questioners in the studio and those at remote locations who will be on the monitor in front of you. (The station will select one picture from all their remotes and put it on your TV set. If there is no picture, you should stay with the studio audience.)

Barry Jagoda will brief you further on the format, lighting, make-up, and other details at the TV station in Los Angeles.

\* Background information on remote locations is attached.

# LOS ANGELES AREA REMOTES

## SHERMAN OAKS FASHION SQUARE (San Fernando Valley) (C.D.s 21,23,24)

The area is predominantly middle to upper middle income families. The housing is mainly single family units. It is predominantly white with more Spanish heritage (17% in some areas) than Black. Most of the community has a suburban orientation with household heads commuting by car to jobs outside the immediate area.

### C.D. 21 --Jim Corman (D)

Registration:	Presidential Vote:
63% Dem	51% Carter
31% Rep	46.7% Ford

### C.D. 23 --Anthony Beilenson (D)

Registration:	Presidential Vote:
64% Dem	52% Carter
30% Rep	46% Ford

### C.D. 24 -- Henry Waxman (D)

Registration:	Presidential Vote:
68% Dem	54% Carter
32% Rep	43% Ford

### ISSUES FOR SHERMAN OAKS AREA:

1. Property taxes
2. School integration
3. Cost of housing
4. Aircraft-(jet) noise from Hollywood/Burbank Airport

## ATLANTIC SQUARE MONTEREY PARK (East Los Angeles) (C.D.s 25,26,30)

Monterey Park is an area with average social and economic conditions. Blue collar, white collar employment are each about 50%. Once largely Anglo, it is now predominantly Spanish, as high as 60% in the 25 C.D., with large numbers of Asians and Anglos a minority.

### C.D. 25 --Ed Roybal (D)

Registration:	Presidential Vote:
71% Dem	61% Carter
21% Rep	35% Ford

### C.D. 26 --John Rousselot (R)

Registration:	Presidential Vote:
47% Dem	37% Carter
47% Rep	60% Ford

### C.D. 30 --George Danielson (D)

Registration:	Presidential Vote:
74% Dem	58% Carter
26% Rep	39% Ford

### ISSUES FOR MONTEREY PARK AREA:

1. Property taxes
2. School integration (bussing)
3. Cost of government

LOS ANGELES TV REMOTE AREAS CONTINUED

CARSON MALL (South Central Los Angeles) (C.D.s 31,32)

Carson is a blue collar, low to middle income area with a large number of minorities (Black and Spanish). Incomes are below the county average and unemployment is high. Carson itself is still predominantly Anglo, but the Black population is increasing. Surrounding areas are mainly Black and poor (Compton) or middle income Spanish (Harbor City). There are many young families in the area.

C.D. 31 --Charles Wilson (D)

Registration:	Presidential Vote:
75% Dem	64% Carter
19% Rep	33% Ford

C.D. 32 --Glenn Anderson (D)

Registration:	Presidential Vote:
72% Dem	54% Carter
28% Rep	43% Ford

ISSUES FOR CARSON MALL AREA:

1. Property taxes
2. School integration (Bussing)
3. Illegal aliens (Undocumented Workers)

SANTA ANA FASHION SQUARE (Orange County) (C.D.s 38,39,40)

Santa Ana, incorporated in 1886, is the second largest city in Orange County with a 1970 population of 156,601. It has the largest concentration of Spanish in Orange County (26%). The median family income in 1970 was \$10,115, below the median of Orange County as a whole. Unemployment in Santa Ana tends to be higher than any other Orange County city.

C.D. 38 --Jerry Patterson (D)

Registration:	Presidential Vote:
64% Dem	43% Carter
36% Rep	54% Ford

C.D. 39 --Charles Wiggins (R)

Registration:	Presidential Vote:
44% Dem	35% Carter
48% Rep	63% Ford

C.D. 40 --Robert Badham (R)

Registration:	Presidential Vote:
59% Dem	31% Carter
41% Rep	66% Ford

ISSUES FOR SANTA ANA FASHION AREA:

1. Property taxes
2. Cost of housing
3. Cost of government

UCLA CAMPUS (West Los Angeles) C.D. 23

U.C.L.A. is located in West Los Angeles--Westwood. The surrounding areas are rich, upper class. In past elections the U.C.L.A. precincts have voted almost the same way as C.D. 23. U.C.L.A. has a current enrollment of 32,131. It is primarily an in-state institution with 28,253 in-state residents, 2,356 non-residents. The ethnic breakdown of U.C.L.A. is: Blacks 5.5 percent; Mexican-Americans 4.3%; Orientals 10.5%; Caucasian 75.8%.

C.D. 23 --Anthony Beilenson (D)

Registration:

63% Dem

31% Rep

Presidential Vote:

51% Carter

46% Ford

ISSUES FOR UCLA AREA:

1. Allen Bakke vs. State of California: Reverse discrimination suit re: the University of California system. Now before the Supreme Court.
2. Middle East questions, from both sides. UCLA has both Arab and Jewish students.
3. Undocumented workers. Small group of students could be interested in this.
4. South Africa question. Has not erupted into any protest situation on campus, but some students were active in protesting apartheid policy at Davis Cup Tennis Matches in Newport Beach recently.
5. Teaching Assistants' strike. Possibility of teaching assistants picketing on May 17 because of cutbacks in teaching positions. Question may be raised re: increased federal assistance for higher education.

B. STATE ISSUES

1. THE DROUGHT

BACKGROUND

1976 was the third driest year in California's history and 1977 will probably surpass the driest year, 1924. The major California River basins have only a quarter of their normal streamflow. The state will have only half of its normal water supply this year, and reservoirs are at all-time lows. Some state and federal water projects will not deliver any water in 1978. Farmers dependent upon irrigation will be severely hurt.

Use of groundwater supplies has increased dramatically. Equipment suppliers cannot meet the demand for well drilling supplies; there is a six month backlog on equipment and job orders. The water table has been lowered and those who cannot deepen their wells will soon be without water. There is a growing trend toward re-activating thousands of unused or abandoned irrigation wells.

In the San Joaquin Valley, agriculture uses 97% of the available water; in the Sacramento Valley, 92%.

The visible effects of the drought are just beginning. There is some browning in range areas but the real indicators of the problem are the low reservoirs and the deepening of wells. If drought conditions continue, next year the visible effects will be glaring.

At present, the non-irrigated crops and livestock farms have been most damaged. Farmers who get water from the Central Valley Water Project and the State Water Project were cut back sharply on water delivery this year. By August, one million acres of land in the San Joaquin Valley will be without water.

It is expected that most farmers will survive this year, though just barely. Should drought conditions continue next year, it will be an agricultural disaster and may be followed by some liquidation of farm land.



Rationing of water in urban areas has occurred, though few real hardships appear to have been caused. Current efforts have cut water use by 25% in San Francisco, and 35% in the East Bay. Marin County plans to cut use by 57%, though even that cutback may use all available water by the end of the year.

San Francisco has raised water rates by 43%, and residents who violate the city's strict rationing program are subject to stiff fines. Los Angeles, although not suffering from severe drought, will begin a mandatory 10% cut in water use by July 1. This cutback could be later increased to 25% if needed, though that is unlikely in the near future - the current May is Los Angeles' wettest in 56 years.

The State-wide drought has also had a ripple effect on business. Small business such as seed, fertilizer, farm equipment and agricultural chemicals have been particularly hard hit.

Drought-related income losses throughout California will be between \$3-5 billion for this year.

#### DROUGHT ASSISTANCE UP-DATE

The following is a list of federal drought assistance legislation; California will be a chief beneficiary:

Drought Assistance Provided Under Existing Programs (\$ in millions)

*~ 400 Grants*  
*~ 800 Loans*

o Emergency loans to farmers for <u>actual</u> losses	Farmers Home Administration	<u>\$600</u>
o Disaster payments for crop losses	Agricultural Stabilization and Conservation Service	<u>\$297</u>
o Crop insurance payments	Federal Crop Insurance Corporation	<u>\$ 55</u>
o Emergency livestock loans	Farmers Home Administration	<u>\$175</u>
o Livestock feed and transportation assistance	Federal Disaster Assistance Administration	<u>\$105*</u>
	TOTAL	\$1,232

\*An additional \$95 million is projected to be expended by June 30, 1977.

New Assistance Resulting From President Carter's Proposals

o Emergency loans for <u>prospective</u> losses	Farmers Home Administration	\$100**
o Water supply assistance, loans and grants for communities under 10,000 in population	Farmers Home Administration	\$225
o Cost-sharing, soil conservation practices	Agricultural Stabilization and Conservation Service	\$100
o "Water Bank", no interest loans	Interior	\$100
o Emergency irrigation measures	Interior	\$ 30
o Purchase of emergency power supplies	Southwestern Power Administration	<u>\$ 13.8</u>
	TOTAL	\$568.8

\*\* \$2 million approved to date.

**Electrostatic Copy Made  
for Preservation Purposes**

President's Drought Proposals Pending Before Congress (\$ in millions)

o Water supply assistance, loans and grants for communities over 10,000 in population	Economic Development Administration	\$175
o Emergency loans to small businesses	Small Business Administration	<u>\$ 50</u>
	TOTAL	\$225

Shortly after you return from California, the Congress is expected to pass another major component of your drought legislation.

## 2. WATER PROJECT ISSUES

### A. AUBURN DAM

Auburn Dam (Bureau of Reclamation) was the only California water project you recommended for no funding in Fiscal Year '78.

Issues which would have to be resolved before further funding could be recommended to Congress include:

- . Assurance that the dam site and design are safe (Sacramento would be jeopardized by collapse, and geologic evidence indicates earthquake faulting at or near the dam site);
- . Financial audit of the Central Valley Project power account (Auburn is a feature of the CVP);
- . Negotiation of firm water contracts for the water which could be stored; and
- . Attempted resolution of state-federal disputes over Delta water quality.

Congressman Moss states his district is overwhelmingly in favor of the Dam.

### B. PERIPHERAL CANAL

The \$2.4 billion State Water Plan includes this controversial feature of the Central Valley Project, which would allow increased export of water to Southern California from the Delta area. Farmers in the Delta area are adamantly opposed to the project because they believe the saltwater-freshwater balance in the Delta would be jeopardized, and because they are generally opposed to increased export of Northern California's water. Governor Brown considers the Canal essential and feels the water quality problems can be solved.

### 3. ENERGY ISSUES

#### ALASKAN NATURAL GAS

The transportation of natural gas from the Alaskan North Slope is of substantial interest to California: because environmental concerns often require use of clean fuels, gas is a significant energy source.

The Alaska Natural Gas Transportation Act of 1976 requires you, subject to disapproval by the Congress, to select a route for transporting the gas. Three transportation routes are presently being considered. Two, Arctic Gas and Alcan, are all-pipeline systems which would carry the gas across Canada to the Midwest. The third, El Paso, is a combination pipeline/LNG tanker system in which a new pipeline would parallel the Alaska oil pipeline route, liquefy the gas, and transport it by tanker to the West Coast.

Californians are concerned about the impact of LNG ports and tankers off their Coast, and there is thus considerable opposition to the all-Alaska system. On the other hand, the State needs natural gas, and a western spur for a trans-Canada route is considered essential if a trans-Canada route is chosen. However, the Western spur would add substantially to the cost of a trans-Canada system.

Relevant federal agencies are now preparing their comments and recommendations for you; they are due by July 1.

#### THE WEST COAST OIL SURPLUS

Once the Alaska oil pipeline is fully operational next Fall, crude oil landings will begin to exceed refinery and consumption capacity on the West Coast. The surplus is expected to be between 400-700 thousand barrels per day.

Three options are available for moving the crude to needy markets: an oil exchange with Japan; shipment of the oil through the Panama canal; and construction of one or more west-east oil pipelines. There is considerable Congressional opposition to the Japanese exchange, and the House recently voted to prohibit this arrangement. Shipping oil through the Canal would add about \$1.50 per barrel to the cost. The pipeline possibilities, one of which would reverse an existing natural gas pipeline between Long Beach California and Midland Texas, have serious environmental problems. California is now attempting to resolve the tanker emission and air pollution problems attendant to a possible pipeline reversal (called the Sohio project).

#### LIQUEFIED NATURAL GAS

If the El Paso route is chosen for transport of natural gas from Alaska, a major controversy will surround the siting of the LNG handling and gassification facilities. Even without the El Paso system, an LNG facility may become necessary to handle imports of Indonesian LNG.

Three sites are under consideration: Oxnard, Los Angeles, and Point Conception. California's Coastal Zone Management Act requires that such a facility be located in a sparsely populated area. Only Point Conception would meet this criterion: however, it is itself a scenic, unspoiled area of the California coast, and would evoke substantial local and environmental opposition.

Californians are especially sensitive to the LNG issue since a recent tragic natural gas explosion in Sinnea.

#### OUTER CONTINENTAL SHELF OIL AND GAS LEASING

During the Ford Administration, the Interior Department and the state were in conflict over OCS leasing and development policies. The past Administration stressed opening up frontier areas for leasing, regardless of whether a state felt adequate planning and preparation had been accomplished. The situation in California was compounded by the fact that California was anticipating an oil glut at the same time the Interior Department was proposing acceleration of leasing.

This Administration has strongly supported pending amendments to the OCS Lands Act which would increase the voice of the states and provide additional protections for the environment.

Secretary Andrus has also already reviewed and revised the leasing schedule to be responsive to California concerns.

#### NUCLEAR POWER

Nuclear power is still controversial in California, even though some of the most active opposition has abated since the defeat last June of Proposition 13, which would have severely curtailed its use. Water rights -- nuclear reactors have substantial water requirements -- have been a continuing

controversy, drawing substantial opposition from farmers. A nearly completed plant in Diablo Canyon, near San Luis Obispo, has not been licensed because of earthquake risks.

By stressing alternatives to oil and gas, the National Energy Plan will increase the pressure on California to rely on nuclear power. Coal conversion is not possible in many parts of the State, and will not be practical until pollution control technology is improved.

#### COAL CONVERSION

Substantial opposition is expected in California to the oil and gas user taxes from plants which cannot convert to coal because of environmental restrictions. While the National Energy Plan provides exemptions from mandatory conversion requirements if economic or environmental constraints are severe, there is no exemption from the user tax.

Some progress, however, has already been made in California on conversion. Pacific Gas and Electric has selected sites for two 500 megawatt coal plants in the eastern part of the state. The plants are thought to be able to meet pollution requirements.

#### GAS TAX, GAS GUZZLER TAX, REBATES

Both the standby gas tax and the gas guzzler tax are unpopular in California. The rebate mechanisms for both taxes are poorly understood. Two points should be stressed. First, the family which drives a fuel efficient car and makes an effort to conserve will not suffer with the gas tax, even if it is triggered. That is because the tax will be progressively rebated to consumers. Second, the gas guzzler tax is designed as an additional tool to insure that the automobile fuel economy standards, already required under law, are met. The tax is geared to these mandatory standards, and will help the auto industry meet the fleet-wide average requirements.

The auto industry has claimed that consumer attitudes, not the fuel efficiency of the cars they produce, are the main stumbling blocks in meeting these standards. The penalty - rebate system is designed to help the market perform.

## APPLIANCE EFFICIENCY STANDARDS

California led the nation by imposing standards on air conditioners, refrigerators and freezers. The State Energy Commission is concerned that their standards will be pre-empted by the federal government. Manufacturers have filed complaints that California's standards do not comply with existing voluntary federal standards; California thinks they do. The Federal Energy Administration has six months to decide.

## SOLAR ENERGY

Experience in California with solar energy has been reasonably successful, with one caveat. Many homeowners have found that the installation of solar equipment has increased their property taxes. The National Energy Plan encourages states to try to find equitable solutions to this problem, and where possible, not to raise property taxes as a result of energy-saving investments.

## 4. ENVIRONMENTAL ISSUES

### TUNAS AND PORPOISES

The American tuna fleet recently sailed after a two month protest against enforcement of 1977 regulations of the 1972 Marine Mammal Protection Act. The regulations limit the number of porpoises that can be killed to 59,060 a year. The tuna industry is asking for that number to be raised to 78,000 for this year and next. Sen. Cranston has been acting as mediator in the dispute and Rep. John Murphy introduced last week an industry bill; the Administration has submitted amendments designed to provide greater protection for porpoises than the Murphy bill. Last year 120,000 porpoises were killed by the American fleet.

This is an intense political issue in the state. In San Diego, 3500 cannery workers and 1500 tuna boat workers have been idled; therefore, the southern part of the state is very pro-industry. The rest of the state tends to support the conservationists' concern for the porpoises.

It is expected that the Administration's amendments to the Murphy bill will provide a basis for legislation which the environmentalists can support and the industry can tolerate. Cong. Murphy's Subcommittee will mark-up the tuna-porpoise bill on the day of your trip.



## CLEAN AIR ACT

Two Clean Air Act issues are of paramount concern in California: auto emission standards and treatment of industrial expansion in areas now violating air quality standards.

California, because of its unique air quality problems, is the only state permitted to set auto emission standards more stringent than those promulgated by the Federal government. The State has been ahead of the rest of the nation ever since the Clean Air Act became law in 1970.

The Administration's recommended emission schedule is slightly less stringent than the California standards, and in part relies on the experience which will be gained in California with new technologies. The following table compares the California standards, the Administration's recommendation, and the standards proposed by the industry.

<u>Model Year</u>	<u>California (HC/CO/NOx)</u>	<u>Administration (HC/CO/NOx)</u>		<u>Dingell/Industry (HC/CO/NOx)</u>
1977 (Current)	0.41/9.0/1.5	1.5/15/2.0	≡	1.5/15/2.0
1978	0.41/9.0/1.5	1.5/15/2.0	=	1.5/15/2.0
1979	0.41/9.0/1.5	.41/3.4/2.0		1.5/15/2.0
1980	0.41/9.0/1.0	.41/3.4/1.5		0.41/9/2.0
1981	0.41/9.0/0.4	.41/3.4/1.0		0.41/9/2.0
1982	0.41/9.0/0.4	.41/3.4/1.0		0.41/9.0/1.0 (with a waiver
1983	0.41/9.0/0.4	.41/3.4/1.0*		up to 20 if necessary)

One of the most difficult challenges which the Clean Air Act will face is the treatment of new growth in areas which do not now meet the primary ambient air quality standards. Current EPA policy permits location of a new facility in a substandard area only if accompanied by a more than offsetting reduction in emissions from sources already there. The Administration has recommended to Congress that this policy be left in place pending further study of the issue--the longer term impacts of any policy in this area are poorly understood.

Dow Chemical recently withdrew its plans for a \$500 million plant in California because of difficulties with the trade-off policy. The State and its Air Resources Board claim that the difficulties could have been solved had Dow been more willing to accommodate suggestions. However, the Governor is now working hard to prevent recurrence of this problem with a proposed ARCO facility and with the Sohio pipeline reversal project. Preliminary indications are that the requisite trade-offs can be found, and these major facilities will be accommodated.

\*Unless the Administrator determines, in 1980, that .4 NOx is necessary to protect public health.

## REDWOOD NATIONAL PARK

The expansion of the Park has caused a furor in California's North Coast timber area where unemployment now runs 14%. The timber industry has been cutting trees right up to the Park border in the Worm Section near Redwood Creek. The resulting soil erosion and silt buildup in the stream poses a serious threat to the giant trees. The industry, citing ever greater unemployment rates, is opposed to the Park's expansion. (Former Governor Ronald Reagan joined the industry's opposition in a recent nationally distributed radio broadcast.) Rep. Philip Burton has introduced legislation to expand the Park by 74,000 acres. The Administration position calls for a 48,000 acre expansion with \$12 million for land rehabilitation and \$40 million for job assistance. This position, popular everywhere in the state except in the North, fulfills a campaign pledge made in California the Monday before the election.

## EARTHQUAKES

The Administration submitted and the Senate passed the Earthquake Hazard Reduction Act, a comprehensive federal earthquake prediction program strongly supported in the Congress by Senator Cranston and Congressman Brown. The House version will reach the floor by mid-June. The program will coordinate with the very successful Chinese earthquake monitoring system. In Los Angeles alone, over 30,000 buildings are too weak or too old to withstand the tremors of a minor earthquake.

## 5. ILLEGAL ALIENS AND FARM WORKERS

The undocumented workers issue is highly controversial and promises to be the chief issue of Governor Brown's re-election campaign. His three outspoken Republican opponents-- Evelle Younger, the California Attorney General, Ed Davis, the L.A. Chief of Police, and Peter Wilson, the Mayor of San Diego-- are exploiting the illegals issue, citing high crime, fewer jobs for legal residents, and increased costs of social welfare assistance. These allegations have been refuted by studies that show quite the opposite to be true. Senator Hayakawa has suggested a return to the bracero system of contracting for Mexican labor, a practice prohibited by the Congress in the sixties.

The existing Dixon Arnet Law in California is supposed to penalize employers who knowingly hire illegal aliens. While the law has survived court challenges, Governor Brown has opposed its enforcement citing potential discriminatory impacts. He is currently exploring amendments to the Act to concentrate only on the worst violators.

You will be meeting with the Cabinet level Task Force on Illegal Aliens the week after you return. Until then, further work is being done by the Task Force to meet the concerns you raised about the preliminary recommendations prior to the Europe trip.

## 6. MISCELLANEOUS ISSUES

### PROPERTY TAXES

Property tax increases, which in some cases have been as much as 100%, are a major concern. Three bills are now before the State legislature that provide various tax relief formulas for low-and-middle-income homeowners.

### HEALTH CARE

Governor Brown has recently proposed his own hospital cost control legislation, though he has continued to indicate general support for the Administration's. Brown's legislation would establish a five member California Health Facilities Commission with rate-setting authority in a phased fashion and final authority over hospital equipment purchases and construction plans. The Governor is also anxious to increase the use of volunteers in state mental hospitals.

### DEATH PENALTY

Governor Brown is firmly opposed to the death penalty and would veto any legislation sent to him. The Legislature is expected to soon pass a Death Penalty bill.

### JOBS

The State is pleased about their share of the Administration's job program. \$785 million will be provided to California to fund 100,000 public service jobs in Los Angeles. L.A. County will receive \$109 million.

### BAKKE CASE

The Bakke Case -- dealing with reverse discrimination issues -- will be decided by the Supreme Court this fall. Bakke was refused admission to the University of California at Davis' medical school. Bakke's suit claims that different criteria for admission, in his case a separate admissions program for disadvantaged students, denied him his constitutional rights. All preferential treatment programs and affirmative action plans will be affected by the Court's decision. The case is very controversial in California. The Justice Department has not yet taken a position on the case (there has been pressure to intervene as a "Friend of the Court" on behalf of Bakke).

C. LOS ANGELES ISSUES

BUSING

The L.A. Unified School District was ordered in June of 1976 to correct overt racial imbalance. A 150-member Citizens Committee was appointed and developed a plan. The School Board rejected the Committee's plan and developed an alternative which for a two-year period, would send middle grade elementary school children to integrated "learning centers" for nine week sessions. The local Judge (Paul Egly) has given every indication that he will not approve the plan and will return it to the board with his own recommendations. He has been holding hearings for the past month.

Many L.A. parents anticipate that Judge Egly will order busing, and they are outraged at the prospect. BUS STOP, an anti-busing group, has been formed to focus further attention to the issue. Mayor Bradley has stated that the School Board should abide by the Judge's expected decision, though he also said that he is opposed to bus rides longer than 30 minutes. Ongoing School Board election campaigns have further politicized the issue.

SEWER MORATORIUM

EPA is in the process of approving plans for the enlargement of sewage treatment facilities; current facilities are overloaded. The State Air Resources Board, in the meantime, has imposed a sewer moratorium and is issuing no new building permits. EPA has also ordered L.A. to stop dumping sewage into the ocean after its having received only primary treatment. Both of these issues will be considered as the Administration develops its position on amendments to the Federal Water Pollution Control Act.

DEFENSE ISSUES

The B-1 bomber and the Advanced Cargo Tanker Aircraft (ACTA) are viewed by organized labor and the unemployed as a significant means of getting more people back to work. Congressman Anderson is very interested in ensuring that Fort McArthur at San Pedro be kept open. The Defense Department is now studying the question of closing down the last operational segment of the Fort.

EXPO 81

A proposal to hold a 1981 World Fair in Ontario (near L.A.) is under consideration by the City government. Federal funding would be available to such a project, under existing statutes, only after considerable local money was raised.

FRESNO

FRESNO AIRPORT

MAYOR

MAYOR WHITEHURST (D)

- Newly elected, March 1977
- Long family involvement in politics
- 28 years old
- Friend of Hugh Burnes, former President Pro-tem of Senate
- Defeated Democratic incumbent Mayor Ted Wills
- Won by 150 votes
- Moderate Progressive

STATE SENATORS

ROSE ANN VUICH (D)

- First woman State Senator in California
- Newly elected, 1976
- Former farmer, accountant
- Single
- Defeated 5-term Assemblyman for State Senate

GEORGE ZENOVICH (D)

- Within 2 votes of being President Pro-tem
- Helpful in general election
- Close to State Treasurer Unruh
- Against Proposition 14

STATE REPRESENTATIVES

RICHARD LEHMAN (D)

- 28 years old
- Youngest Democratic Assemblyman in legislature
- Former A.A. to State Senator Zenovich
- HOSTED A COCKTAIL RECEPTION FOR THEN GOVERNOR CARTER, AUGUST 1975

DEMOCRATIC PARTY

NANCY PELOSI

- Northern State Party Chairman
- Personal friend of Brown
- Wife of County Supervisor

BETTY RAMACHER

- Fresno County Democratic Chairman
- Early Carter supporter
- Worked extremely hard in the general election

LOCAL OFFICIALS AND EARLY CARTER SUPPORTERS

JOHN DONALDSON

- Democrat
- Chairman Fresno County Board of Supervisors

BRYAN LONG

- President Fresno California Teachers Association



STEVE EDWARDS

--State President, California Teachers Association

MAJOR GENERAL FRANK J. SCHOBBER, JR.

--State Adjudgent General, California Drought Coordinator

RICHARD E. ROMENGER

--Director of California Food and Agricultural Department

--Brown appointment

BOB SEARS

--Carter County Chairman in the Primary

--Attorney in Fresno

--Active Democrat

--Extremely popular

--Broad Contacts

--Carter Delegate

JEFFRA NELSON

--Member of original Carter Committee

BARBARA AND BOB KEARNS

--Members of Original Carter Committee

SIMON AND IRENE MAROOTIAN

--Members of Original Carter Committee

JOHN AND DEMI McMANUS

--Members of Original Carter Committee

WANDA GRASON

--Member of Original Carter Committee

WILLARD JOHNSON

--Member of Original Carter Committee

JOSEPH AND MARION MEREDITH

--Members of Carter Finance Committee

SAM REEVES

--Member of Carter Finance Committee

WAYNE PLUNK

--Member of Carter Finance Committee

THE PRESIDENT HAS SEEN. *plus 17*

THE WHITE HOUSE

WASHINGTON

May 16, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *JF*

SUBJECT: Fresno Airport Remarks

Jerry Doolittle has prepared the following suggested topics for your remarks at the Fresno Airport May 17:

1. Fresno pioneered in citizen involvement and participation programs, and HEW now uses the city's guidelines as national ones. This sort of effort is easier at the local level, perhaps, but you have tried to restore a sense of citizen participation at the national level, too. Your TV show earlier today was the latest in a number of efforts in that direction. More will follow.

2. Streamflow in the San Joaquin Basin is down to 28% of normal, and the water table is greatly lowered. A week ago (May 10) Fresno had its largest single rainfall since 1971 -- but it was less than an inch. No government can make it rain, but at least government can try to lessen the hardships. You have proposed drought relief programs totalling close to \$800 million, and a large portion of this would go to California.

3. Dan Whitehurst, the Democratic mayor of Fresno, was elected in March by a few hundred votes out of some 30,000. It was a slim mandate, but you have nothing in particular against candidates who win with slim mandates.

4. There's been some talk about the youth of your top White House staff. You're glad to see that the people of Fresno take the same attitude on the question that you do. Jody and Hamilton are old men compared to your mayor. (Whitehurst is 28).

A) LOW LEVEL FLY-OVER  
OF FRESNO AREA RESERVOIRS

Part of the flight from Los Angeles to Fresno will be a 20-minute low-level fly-over of reservoirs which serve the Fresno area. Most are at critically low levels. You will also be able to note the lack of mountain snow which normally provides run-off water for these reservoirs. Unirrigated range land, normally green at this time of year, is parched and brown. Fire breaks are now being dug because of the likelihood of range fires under present conditions.\*

Apart from these signs of drought, however, the farmland terrain will not be visibly affected. The area is currently being supplied with some water, because of state water priorities, and farmers with well water are digging deeper, if they can. The catastrophic aspect of the drought is mainly in the future.

You will be briefed on the fly-over by Morris "Red" Martin, an employee of the Soil Conservation Service of the U. S. Department of Agriculture for 22 years. Martin, who was born in Los Angeles, has lived in Fresno since 1937. He graduated from Fresno State in 1951, is married, and has three sons (ages 18, 21 and 23.)

\*Mr. Kryder, whose farm you will tour in Fresno, may take advantage of a Soil Conservation Service program which provides assistance in building fire breaks.

KRYDER FARM AND SILVA RANCH (Reedley, California)

CHARLES "CHUCK" KRYDER AND FAMILY

- Born 1932 in Upland, California, Age 45
- U. S. Air Force 1951-1952
- B.A., University of Redlands (California) in Business Administration and teaching credentials. Taught high school 4 years.
- Married in June 1956 to Genie and moved to present home in Reedley

(Note: Kryder does not presently live on his farm. He hopes to make enough money to eventually build home there.)

- Three children:
  - Paul - age 17
  - Tricia - age 15
  - Laurie - age 11
- Wife teaches in Reedley Grade School

MANUEL SILVA FAMILY

- Cattlerancher, Age 65
- Born Tulare, California; Ran cattle operation there before moving to Reedley area 20 years ago. Presently has ranch of 860 acres adjacent to Kryder property.
- Married 1937, Wife Calmierinda "Cal", 3 children (all married and living away from home)

THE WALK

The President meets the Kryder and Silva families and proceeds with Chuck Kryder, Manuel Silva, Red Martin, and a press pool to walk through an olive grove to Kryder's well site. There Kryder explains his well/irrigation system and the problems he faces from the drought.

The group will then walk back through the olive grove and newly-planted almond trees to a dirt road leading to the Silva property. This portion of Silva's property is open range land now parched and unuseable for grazing. Silva explains the effect of the drought on his herd (he has had to sell 65% of his cattle and feed hay to the remainder.)

The group then returns along the previous route to the starting point.

BACKGROUND

The Kryder Farm grows olives and plums (now in production), and peaches and almonds (newly planted trees which will not produce this year.)

The farm is totally dependent upon well water. Although the trees are currently getting sufficient water, the water table is dangerously low and continues to fall. When it reaches 100 feet, there will be a constant danger of hitting "bad water," e.g., excessive salt content.

As less water is available, irrigation intervals will be cut back. It is questionable whether his olives will be able to reach marketable size. (Kryder also has a nearby orange tree farm where the water table is falling even more rapidly.)

Kryder uses two systems to get water to his crops, both of which are dependent upon his wagon wheel well which is approximately 100 ft. deep.

He irrigates his peaches and plums by the "drip irrigation" system, developed in Israel, the newest and most conservation-oriented irrigation system. It saves about 50% of the water as compared to the old surface ditch irrigation system. With drip irrigation, emitters (nozzles) on hoses attached to the trees, soak the roots of the tree, instead of flooding the entire surrounding area. This system is expensive, costing \$300 to \$400 an acre.

The rest of Kryder's crops are irrigated by the "tailwater return" system. Water is piped to the trees, is turned on them, and the extra water is collected and re-cycled.

The drought's effect on the Silva Ranch is more visible. His range land, totally dependent on rain water, is now parched. Along with many other ranchers in the area, he has been selling off cattle and feeding hay since last year. Hay costs have risen to between \$85 and \$100 per ton compared with the usual price of \$65.

B) FRESNO RAIN SITE:

RED STAR INDUSTRIAL LAUNDRY

If rain makes a tour of the Kryder Farm impossible, you will tour the Red Star Industrial Laundry, a facility near the Fresno Airport which is switching to solar power in part because of the drought and its effect on hydroelectric power sources.

The laundry was partially funded by the ERDA Solar Hot Water Demonstration Project. The conversion of the laundry from natural gas to solar began in 1976, and the laundry will begin actual operations with solar energy within the next couple of weeks. The total cost for the project was \$233,365 with ERDA contributing \$165,000.

It is estimated that the switch to solar power will save the laundry \$7,500 a year in natural gas costs plus protect against interruptions caused by cutbacks in natural gas supplies. Pacific Gas and Electric, the local utility, had warned the laundry that it faced a series of "rolling blackouts" because of the drought's effect on hydroelectric power sources. This prospect was unacceptable to the laundry in view of its need for continuous hot water.

Red Star is a division of Work Wear Corporation. It employs 103 workers in the plant and is completely unionized, with the Laundry and Dye Workers in the laundry itself and Teamsters driving the laundry trucks.

The solar system at the plant has an integrated wastewater recovery and preheating system. Incoming city water flows through a Ludell tube and shell heat exchanger where it picks up heat from the wastewater stream before entering the solar heating system. The solar system consists of three cascaded solar collector modules, each having an approximate area of 3,000 square feet. The modules have independent pumps, flow-rate modulation controls, and 20,000 gallon storage tanks.

When fully operational, the Red Star Plant will be one of the largest solar-powered industrial facilities in California.

C. FRESNO COUNTY ISSUES

WESTLANDS WATER DISTRICT

The Westlands Water District is an irrigation service area of the Bureau of Reclamation's Central Valley Project. Questionable practices, including violation of acreage limitations and cheap water service to absentee corporate farmers, have recently been uncovered by the press.

Secretary Andrus has recognized the problems and has begun a full review of the situation, which should result at least in the renegotiation of water service contracts and stricter enforcement of acreage limitations.

FARM PRICES AND MARKETING ORDERS

Farmers in this area (with possible exception of dairy farmers) regard themselves as independent businessmen, uninterested in federal farm supports. (Congressman Sisk's district is one of the top dairy producers in the State.)

The area is the largest producer of specialty crops in the State. The main concern of the specialty farmers is federal marketing orders, which have been traditionally supported by the Department of Agriculture. Marketing orders allow farmers to promote their products collectively. There is some concern in the area about Assistant Secretary Carole Foreman's criticisms of marketing orders.

MISCELLANEOUS FARM CONCERNS

Trade -- there is considerable interest in selling more farm products, especially citrus, to Japan.

Research -- there is sentiment to increase federal funds for agricultural research in bio-chemicals, so that greater knowledge can be gained about how, with less energy and under worsened weather conditions, greater amounts of food can be grown.

Perpetuation of Family Farms -- Large corporations are buying many large farms for investment. There is strong local sentiment supporting State legislation to provide small farmers with greater incentives not to sell to large corporations.



#### FRESNO FREEWAY SYSTEM

Fresno would like to complete its metropolitan highway system by finishing Freeways 41 and 180. State and federal funding have been withheld until the Environmental Impact Statement is reviewed.

#### MINERAL KING VALLEY

This area, south of Fresno, is under consideration by the Department of Interior as an addition to Sequoia National Park. The addition would be designed to halt development of a ski resort by Walt Disney Productions.

#### LEADER

Fresno was one of the first Model Cities designated by the Federal Model City Program. Fresno has also been a pioneer in citizen involvement and participation in government processes. Guidelines, for instance, used in Fresno are now used by HEW as basic guidelines for citizen participation processes nationally.

THE WHITE HOUSE

WASHINGTON

May 16, 1977

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THE WHITE HOUSE

WASHINGTON

May 16, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS J-

SUBJECT: Suggested Remarks on May 17

Jerry Doolittle has prepared the following suggested topics to precede your television show May 17:

1. One of a President's major jobs is to balance the needs of various parts of the country -- needs that are often competing, even within a single state. (Northern California, for instance, fears that the south will pump away its water in a drought emergency). The job is so tough because there is usually justice on both sides of these questions.

2. Your appearance here today is an attempt to bring the Presidency closer to the people. But you also hope that the questions will reflect regional interests, so that you can be better informed on the problems of the West.

3. Western congressional delegations, of course, are a great help in bringing regional problems to your attention. You have begun a series of meetings with the delegations from each of the country's great regions, so that you can weigh their needs more accurately.

4. California has pioneered in setting efficiency standards for air conditioners, refrigerators and freezers (which, along with furnaces and water heaters, account for

20% of our energy consumption). The state has set an example for the rest of the nation.

5. California's climate means that it can also be a leader in solar energy, which can be particularly useful in crop drying and other agricultural processes. Unfortunately, homeowners in California and some other states find that installing solar energy equipment increases property taxes. You hope these tax laws will be changed.

6. California imports energy and exports agricultural products. A need therefore exists to develop ways to grow more food with less energy. Some of the R&D funds contained in your energy proposals should help with the problem.

7. Energy shortages will lead to increased dependence on nuclear power -- which means water will be diverted from agriculture for nuclear cooling purposes. Again, there's no easy answer. Residential use of water is only 8-10% in the West, with most of the rest going for agriculture. Any important conservation of water will have to come out of the agricultural sector, through more thrifty irrigation techniques.

8. Another great problem in the West is earthquakes. You and your science advisor, Frank Press, are pushing for passage of the Earthquake Hazard Reduction Act, which provides money to monitor tremors and predict quakes.

THE PRESIDENT HAS SEEN.

SCHEDULE

1

L.A. AIRPORT

U.A.W. SPEECH



KNXT

FRESNO